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MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
5TH DAY OF JULY 1977

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The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 5th day of July 1977, the place, hour, and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Howard M. Wexler, President  
Joan-Marie Shelley, Vice President  
Dian Blomquist  
Rubin Glickman  
Walter F. Kaplan

and the following were absent:

Melvin D. Lee  
Dr. Hannibal A. Williams

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Mary Rogers, Benny Stewart, Teall Henderson, Gene Stancil, and Ed Crocker, Western Addition Project Area Committee (WAPAC); Alan Wofsy and Claude Oakland, Alan Wofsy and Associates; Martha Senger, Goodman Group, Inc.; and Jerri Bunker, Coalition to Support Nihonmachi Tenants.

Representing the press were Marshall Kilduff, San Francisco Chronicle; and Nancy Dooley, San Francisco Examiner.

SPECIAL APPEARANCES

- (a) Public hearing to hear all persons interested in the matters of the proposed transfer and conveyance of Parcel 1126-H, Western Addition Approved Redevelopment Project Area A-2.

President Wexler opened the public hearing to hear all persons interested in the matter of the proposed transfer and conveyance of Parcel 1126-H, Western Addition Approved Redevelopment Project Area A-2. There being no persons wishing to appear in connection with the matter, the President declared the public hearing closed.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) An \$8,000 Section 312 30-month three percent loan has just been made to a commercial tenant in the Western Addition A-2 which represents the first loan of this type approved by the Department of Housing and Urban Development (HUD) Region IX office. It will be used to rehabilitate a grocery store. Also in progress is the





REPORT OF THE EXECUTIVE DIRECTOR (continued)

120 15

rehabilitation of 22 residential units above this commercial area which is being done by the property owner.

- (b) The Northern Waterfront Committee will hold its first meeting July 18, 1977 at 4 p.m. This will enable serious planning for the area to commence.

NEW BUSINESS

- (a) Resolution No. 139-77 approving the disposition price and method of sale; ratifying publication of notice of public hearing; and authorizing acceptance of offer to purchase and execution of agreement for disposition and conveyance instruments; all in connection with the sale of Parcel 1126-H, Western Addition Approved Redevelopment Project Area A-2.

This item was the subject of the public hearing just held and concerns execution of a disposition agreement to Walter H. Laughridge for \$32,502 for rehabilitation of Parcel 1126-H at 1233-35 Divisadero Street, between Eddy and Ellis Street. Mr. Laughridge was the highest qualified bidder of twelve certificate holders and will utilize a \$60,000 loan from the Agency's Western Addition Rehabilitation Loan Program and his own personal financing to rehabilitate the two dwelling-unit structure and commercial space to conform to City Codes and the A-2 Rehabilitation Standards. His intention is to use the ground floor commercial space for his furniture business.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted.

- (b) Resolution No. 138-77 approving the expenditure of funds to effect the temporary relocation of Lee's Liquors, a commercial enterprise, Western Addition Approved Redevelopment Project Area A-2.

This represents approval of a temporary move of Lee's Liquors from 1758 Fillmore to 2000 Sutter Street for approximately six-months' time while rehabilitation work is proceeding on the present location of this business. Moving expenses will total \$9,786.86 which includes \$1,137 for storage container installation and rental, \$3,088 for moving personal property, and \$920 to cover other expenses such as telephone, burglar alarm, and Department of Public Health permits. In reply to Mr. Kaplan's inquiry, Mr. Hamilton indicated that the property was diagonally across the street from the Jones Memorial Church

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted.

- (c) Resolution No. 141-77 awarding Site Improvement Contract No. 20b, Hunters Point Approved Redevelopment Project Area NDP A-5, to DeNarde Construction Company.

This concerns award of Site Improvement Contract No. 20b in Hunters Point to DeNarde Construction Company for \$473,576.23 to construct a minipark adjacent to Moderate-Priced Private Housing Site 5 and other landscaping work. DeNarde Construction Company was the only bidder, although eighteen contractors had requested and received bid documents. The bid was 21 percent above the consultant architect's estimate, however, it was staff's judgment that the costs reflected were valid for the work to be performed because the estimate did not properly reflect the hilly terrain where the work was to be performed. At a preaward meeting it was determined that the firm's affirmative action and safety programs were satisfactory.



NEW BUSINESS (continued)

In response to Ms. Blomquist's inquiry Mr. Hamilton noted that there had been difficulty in finding contractors to bid on the work because originally the contract was so large that firms normally bidding on this type of work did not wish to commit all of their equipment and resources to this job; additionally, there is some reluctance to bid on work in such a heavily residential area. He noted that it was also possible firms were occupied on other jobs. In reply to President Wexler's inquiry, Mr. Earl Mills, Area Director for Hunters Point and India Basin, indicated that the Bayview-Hunters Point Joint Housing Committee was aware the contract was to be awarded and had expressed no objections.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Shelley, and unanimously carried that this resolution be adopted.

- (d) Consideration of Alan Wofsy and Associates as redeveloper of Parcel 714-11, the Goodman Building at 1117 Geary Street, and 238-48 Myrtle Street, in connection with the proposed disposition of said parcel in Western Addition Approved Redevelopment Project Area A-2.

Mr. Hamilton indicated that this represents consideration of two proposals received for the Goodman Building and the Myrtle Street Flats, one from Alan Wofsy and Associates, comprised of Mr. Wofsy in association with Claude Oakland and Kinju Imada, architects and the other from Plymouth Associates comprised of Daniel Shellcoe and architects Hans G. Glass and Roger N. Benson. Both propose purchase, financing, and rehabilitation of the buildings. The rehabilitation work for both proposals is estimated to cost approximately \$800,000. Mr. Hamilton indicated that staff recommended approval of the Wofsy proposal because it was more comprehensive, specific, and appeared to respond more sensitively to the needs of the tenants of the building. Mr. Wofsy is experienced and has completed a similar development in Oakland. Staff recommends designation of Wofsy and Associates as developer of the properties until January 1, 1978 and this will allow time for the developer to proceed with preparing plans and securing financing and with the Agency's assistance obtain subsidies for 30 units of housing. During this time the Agency would also have to obtain release of the parcel from an existing disposition agreement and work with the developer to provide a relocation plan for the tenants.

Mr. William McClure, Director of Rehabilitation, indicated that the two proposals were received in response to an offering and both provided for rehabilitation of the buildings in accordance with City Codes and Agency rehabilitation standards. He noted that representatives of the Wofsy firm were present to comment on their proposal.

In reply to President Wexler's inquiry, Mrs. Martha Senger of the Goodman Group, Inc. and Mr. Ed Crocker indicated that they would also like to speak on the matter. Mr. McClure indicated that no representative of the Plymouth Associates was present although they had been notified that the matter would be considered.

Mr. Alan Wofsy came forward and indicated that this was his first proposal to the Agency but that he had been a developer since 1969 and had participated in developing the first scattered public housing units in the City. He introduced his architect, Mr. Claude Oakland, and indicated that they had, along with Mr. Gerson Bakar in 1971, renovated the 124-room Lakeside Hotel in Oakland which was converted into 66 apartments, 100 percent subsidized for the elderly. This was carried out under the Federal Housing Administration's 221(d)(3) program and Section 8 is its successor. He indicated that his firm had worked with community groups which had



NEW BUSINESS (continued)

an equity interest in the project which took three years to complete. He had also developed the only housing, 22 townhouses, to be built recently in Berkeley and that this again involved working with community groups. He indicated that new Federal tax legislation favored rehabilitation of properties, particularly historic structures. The Transamerica Corporation had approached him regarding the restoration of buildings of historical interest and he had expressed an interest in the Jessie Street Substation in Yerba Buena Center but Mr. Mel Ury, Project Director, had suggested that he consider the Goodman Building which was being offered for rehabilitation. Mr. Wofsy indicated he had inspected the building, and had resolved, in order to avoid later conflicts, not to proceed unless there was a written agreement with the Goodman Group. He indicated that he had met with the Goodman Group in an effort to develop a plan which would fit their needs and at the same time would result in a development that would enhance the redevelopment project.

Mr. Wofsy indicated he had studied the Marquis Report and while this information was useful it was not a realistic proposal because the \$300,000 it projected spending would provide only a rooming house without even an elevator. By spending a little more, self-contained units with a bathroom and kitchen rehabilitated to code standards could be provided which qualified for financing under the Marks-Foran Act or Section 8 program. He indicated that he would retain as many units as possible and proposed that there would be 30 units, of which 21 would be studios and nine would be one-bedroom units. There would also be ground floor commercial or retail space. Mr. Wofsy commented on retention of the Myrtle Street Flats which he believed in some ways had a better potential for renovation than the Goodman Building. This building would have 8 two-bedroom residential units, which could be either rentals or on an ownership status. It was his belief that estimates for rehabilitation were on the high side being over 10 percent of the hard cost of construction but based on these estimates rents would result in 35 cents per square foot for the 6,500 square foot commercial space on the ground floor, \$250 for the 21 studio units, and \$330 for the 9 one-bedroom units. He noted in his opinion the Marquis Report rentals were high and would not qualify for such extensive subsidies nor did he believe the other option contemplated by that Report of not paying any property taxes was acceptable. In his proposal, Mr. Wofsy indicated he had included the conditions he believed were necessary. He noted that he believed his firm had performed a sufficient amount of work to indicate its serious intention to develop the property and he did not believe the firm would proceed with any further work before it was designated as developer. He indicated that he was under the assumption that the agreement with the Goodman Group was a valid document but there was some indication at a Western Addition Project Area Committee (WAPAC) meeting that the Goodman Group was reconsidering the agreement. He then introduced Mr. Claude Oakland who presented renderings of the buildings proposed rehabilitation to the Commissioners. Mr. Oakland indicated there would be as few structure changes as possible and Mr. Wofsy added that it was proposed that the large room on the fourth floor be skylighted and retained as a community space. President Wexler inquired if the changes were for the first three floors and Mr. Oakland indicated that the second, third, and fourth floors would have baths, kitchens, garbage and laundry facilities added and the ground floor would be renovated for commercial use. In response to President Wexler's inquiry, Mr. Wofsy noted that the cost of rehabilitation of the Goodman Building would be \$624,000 as compared to the \$556,000 proposed under





NEW BUSINESS (continued)

the third option in the Marquis Report. President Wexler inquired about the difference between the renovation cost of \$190,000 for the Myrtle Street Flats that Mr. Wofsy proposed as compared to the Marquis Report proposed cost of \$91,000 and Mr. Wofsy responded that these units were so substandard that they would require extensive rehabilitation and a totally new infra-structure. He noted that the Marquis projection of \$91,000 divided by eight units would equal about \$11,000 to \$12,000 per unit which is unrealistically low.

President Wexler referred to the cost figures in the Marquis Report and Mr. Wofsy indicated that the reason for the difference is the quality of the rehabilitation to be done. Mr. Wofsy indicated his development would be of high quality and not be the mediocre product that would result from carrying out the proposals of the Marquis Report. President Wexler also inquired if Mr. Wofsy was considering the possibility of using the income from the Myrtle Street Flats to finance a portion of the Goodman Building rehabilitation, and Mr. Wofsy indicated that he did not believe that would be necessary, because he believed that Section 8 rent subsidies would meet any contingency. He also preferred to keep the two properties as separate entities. Mr. Wofsy indicated there were certain conditions listed in his proposal which he believed would need fulfillment before he moved forward since he wished to have some protection for his expenditure of funds and needed evidence of good faith. He also noted that if he would provide more detailed architectural plans. Mr. Wofsy indicated that if relocation of present tenants could not be accomplished within six months it appeared this would void the disposition agreement. He wished to have an assurance of performance on the part of the Agency. President Wexler inquired if Mr. Wofsy would hold the Agency responsible for damages if the property was not delivered in accordance with the agreement and Mr. Wofsy answered affirmatively and also expressed a desire to be named as beneficiary on the insurance in case the building burned down.

Mr. Martha Senger of the Goodman Group came forward and indicated that she had just been informed of the meeting this morning at 11:00 a.m. concerning the Goodman Building and she had not had an opportunity to prepare for the meeting. She indicated that Mr. Wofsy's proposal was unworkable for the tenants since they would be too expensive for the present tenants to afford. She also indicated that his proposal to use Section 8 subsidies did not serve the tenants. She indicated that WAPAC knew of the problem but the Goodman Group was unable to discuss it with Mr. Wofsy because he did not wish to meet with them. When they had met with him, he had refused to consider any alternative plans and when she had called him to attend the tenants meeting he had refused, therefore, she did not believe he was willing to work with the Group. She indicated that the Goodman Group had talked with Messrs. Barry Wasserman and Arnold Sternberg at the California Housing and Finance Agency (CHFA) in Sacramento who were encouraging about rehabilitating the Goodman Building, because of its both social and economical aspects and because it was a historic building. She believed that the Marks-Foran program suited the tenants needs better than Section 8 and that the State's architectural office also believed this could be a model project using the proposals in the Marquis Report. She indicated that the Group entered into the agreement with Mr. Wofsy in good faith, but did not want to enter into further discussions, and she therefore urged that he not be named as developer. Mrs. Senger indicated that by July 26, 1977 the Goodman Group would present a concrete proposal for purchase and renovation of the building using the Marks-Foran program and a Mr. Dan Dougherty of the CHFA will provide this financing for both the Goodman Building and the Myrtle Street Flats on a 6-1/2 to 7 percent loan program. She





NEW BUSINESS (continued)

also noted that other CHFA staff had been encouraging about the loan program which would be \$100,000 less than that of the Marquis study. She indicated there were 25 people in the Goodman Building who could not just disappear.

President Wexler indicated his understanding that Mrs. Senger was notified of the meeting today, and Mr. William McClure, Director of Rehabilitation, indicated he had informed Mrs. Senger the preceding Wednesday that the matter would be considered at the meeting today. President Wexler suggested that in the future written notices be sent to confirm such oral statements.

President Wexler indicated that the Goodman Group has been involved for some time in the proposed rehabilitation of the building and that now the building was put out to bid and valid proposals had been received which would provide an opportunity for low income tenants. He inquired what there was at this time that should compel the Commissioners to put aside the bidding process and open proposals to anyone, including the Goodman Group. He commented that Mrs. Senger was asking for additional time so the Goodman Group could come in with a bid that they did not present at the deadline date. Mrs. Senger responded that the group did not have a bid in March because they learned just two days before it was due that Mr. Gardner Mein had not put together a proposal and did not leave sufficient time to them to put a proposal in order. She indicated that Mr. Wofsy would not consider an alternative to Section 8 and promised to put together a proposal that was better and that would make the project more beneficial for the art community in San Francisco. She also believed that Mr. Wofsy's proposal was not what HUD wanted and that the Goodman Group would still be in the building 25 years from now.

In response to Mr. Glickman's inquiry about Mrs. Senger's statement that she would be able to produce a CHFA loan commitment in three weeks that would permit rehabilitation of the building, she indicated that from conversations with the CHFA staff she thought this possible. Mr. Glickman inquired what she based this assertion on and Mrs. Senger indicated CHFA had indicated it was an attractive proposal. Mr. Arnold Sternberg had also felt it was a good development and had recommended that she talk to Mr. Bedford. Mr. Glickman expressed the belief that there were great financial problems on this project and it was unrealistic to think Mrs. Senger would obtain a loan commitment within three weeks' time. He indicated that from his own experience he knew that it would take a great deal longer to get a loan commitment. Mrs. Senger stressed her belief that because of the interest expressed in the project that this loan commitment was forthcoming. Mr. Glickman asked if in her opinion there was any way negotiations could continue with Mr. Wofsy and she indicated that she did not believe this could be done. Mr. Glickman indicated that there were times when people could not meet but this should not be construed as meaning that there was disinterest in negotiations. President Wexler referred to a copy of the agreement signed by Mrs. Senger on behalf of the Goodman Group and inquired of Mrs. Senger what provisions she believed Mr. Wofsy had not fulfilled and Mrs. Senger noted that it was the sixth item dealing with Section 8 subsidized units and the agreement to investigate alternatives to Section 8. President Wexler inquired why Mrs. Senger did not believe that Section 8 was feasible, and she noted her belief that Section 8 served only the elderly, handicapped, and family displacements through redevelopment, and would not work for the majority of the present tenants, since there were only seven that HUD considered to have rights to benefits. She was also concerned that the future usage would preclude artists, since there would be



NEW BUSINESS (continued)

other low-income people applying for the units who were not artists. It appeared that there could be no allowance made to preserve the building for future artists even if a way could be found to qualify the other tenants under Section 8. Mrs. Senger indicated most tenants stay only two years.

Mr. Ed Crocker came forward and indicated he was a tenant of the Goodman Building and also a member of WAPAC. He indicated that at the WAPAC meeting the issue considered was one dealing with the designation of one of two developers. WAPAC had acted to tentatively recommend to the Agency that Mr. Wofsy be designated as developer. He referred to that recommendation noting that WAPAC supports the efforts of the tenants of the Goodman Building to achieve collective ownership of the property. If Mr. Wofsy is designated he must address this question of equity participation for the tenants. He recommended that no decision be made today.

Mrs. Mary Rogers of WAPAC came forward and indicated she would not support any development where the units are solely for use of one particular group of people and stressed her belief that housing units must be open for everyone.

Mr. Wofsy came forward and indicated his belief that the Section 8 program would work for the tenants. He noted that tenant selection would be done by a board of governors and as Mrs. Rogers stated, the section would be open to all without discrimination. He noted that new legislation appeared to provide unrelated people the status of families and in the one-bedroom units this could be open to two individuals. He commented on Mrs. Senger's letter of June 29, 1977 which he just received in which she referred to the tenants and the "voluntary poor", and noted that these tenants have been living in the building at the expense of the taxpayers without paying rent. Mr. Wofsy indicated Mrs. Senger had called him on the morning of July 4, 1977 and informed him she would not support his plan if he did not attend the Group's meeting that evening and in his opinion such a meeting would accomplish nothing and he was attempting to build a project. He indicated that the Goodman Group wanted to have total selection of tenants and expressed concern that the building would be used as a rooming house, and he stressed that he could not develop property on that basis. He also indicated that the financing arrangement proposed by Mrs. Senger to CHFA was new for that agency and that there would be problems and delays in obtaining such financing. He believed it was not his place to resolve issues about the rights of the tenants because they are not paying rent and are in the building, when in his opinion they actually had no property rights. He indicated he would have no problem with the tenants having an equity interest in the building. He indicated he had previously worked on developments where tenants had a 20 percent equity investment and had experienced no problem in this arrangement. Mr. Glickman inquired how quickly Mr. Wofsy intended to proceed on financing the rehabilitation and Mr. Wofsy indicated that he would use the Agency's rehabilitation loan program so work could proceed as soon as assurances that Section 8 subsidies would be available. He hoped to meet with HUD to determine if 30 units of Section 8 housing could soon be advertised and anticipated having his plans completed within six months. The rehabilitation work would take approximately a year. In response to Mr. Glickman's inquiry about equity financing Mr. Wofsy indicated that Bankers Mortgage Company, a syndication for the Transamerica Corporation, was interested in the project and while there was nothing in writing, he expected no difficulty in securing the financing since this kind of project was attractive because of the



NEW BUSINESS (continued)

tax reform and depreciation factors.

President Wexler inquired of Mr. Hamilton about the applicability of Section 8 subsidies and Mr. Hamilton indicated the staff's concurrence in Mr. Wofsy's proposal for a Section 8 subsidy application and believed it was workable. Mr. Hamilton believed Mr. Wofsy had done the things reasonably expected of him and has explored the various developmental issues and brought them to the point where the Agency could act affirmatively on this matter. He noted that Mr. Wofsy had offered to forfeit his \$10,000 deposit in the event he could not obtain equity financing, and the Agency's position remains that Section 8 can be utilized for subsidizing the units. The Agency has committed itself to developing a satisfactory relocation program for the tenants. In response to President Wexler's inquiry he noted that the Commissioners could designate Mr. Wofsy's firm today.

Mrs. Senger urged the Commissioners to delay their discussion for a week since she had no foreknowledge that a decision would be made today on the building and on who was to develop it. President Wexler considered the request and asked if there were any other factors which needed to be brought out on her proposal to have financing within three weeks. Mrs. Senger urged that the Commissioners consider the social factors and HUD concerns about how tax loopholes were being used, as well as how communities were being displaced, and she expressed concern about alterations to the building which was designated as a landmark. President Wexler indicated that he had informed the Secretary that he did not believe a decision would be made today, however, facts had crystalized and developed to the point where a vote could be taken. So even though the Secretary had been instructed to inform people that a decision would be unlikely the facts appeared to warrant action. However, in keeping with his position he would propose a one-week delay.

RULE OF THE CHAIR: President Wexler indicated that subject to objections of the Commissioners the chair ruled that this matter would be held over one week.

Objections were indicated by the other Commissioners. President Wexler then indicated that he would put the matter to a vote. An "aye" vote would uphold the Chair's ruling and a "nay" vote would deny the ruling; and on roll call the following voted "aye":

Ms. Shelley

and the following voted "nay":

Ms. Blomquist  
Mr. Glickman  
Mr. Kaplan

and the following abstained:

None

The President thereupon declared that the ruling failed.



NEW BUSINESS (continued)

Resolution No. 140-77 designating Alan Wofsy and Associates as redeveloper of Parcel 714-11 in connection with the proposed disposition of said parcel in Western Addition Redevelopment Project Area A-2.

ADOPTION: It was moved by Ms. Blomquist, seconded by Mr. Kaplan, and unanimously carried that this resolution be adopted.

Ms. Jerri Bunker came forward and expressed concern that since the Goodman Building was on the National Register of Historical Landmarks the California Environmental Quality control Act required an environmental impact report to be made if changes to the structure were made. Mr. Glickman indicated that the developer was aware of the matter and would investigate the matter.

MATTERS NOT APPEARING ON AGENDA

- (a) Ms. Jerri Bunker, representing the Coalition to Support Nihonmachi Tenants, came forward and indicated that the tenants at 1869 Buchanan and 1531 Sutter Street continued to face the threat of eviction which she contended the Agency had the power to stop. She asked that necessary repairs be made so that the Agency would be in a position to approach Judge John E. Benson with a request that the evictions be set aside, since she believed the Judge would do as the Agency wished. She indicated that the Coalition holds the Agency responsible for these proposed evictions and destruction of the Japanese community and alleged that the staff avoids meeting the Coalition's demands. She claimed the Agency has assumed the role of mediator at any meetings between the Coalition and the Nihonmachi Community Development Corporation instead of assuming what she believed was its responsibility for activities in the area. She indicated that there was massive support for the Coalition demands and urged that these buildings be set aside for low-rent housing.

ADJOURNMENT

It was moved by Ms. Shelley, seconded by Mr. Glickman, and unanimously carried that the meeting be adjourned to an executive session. The meeting adjourned at 5:55 p.m.

Respectfully submitted,



Helen L. Sause  
Secretary





MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
12TH DAY OF JULY 1977

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 12th day of July 1977, the place, hour, and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Howard M. Wexler, President  
Joan-Marie Shelley, Vice President  
Dian Blomquist  
Walter F. Kaplan

and the following were absent:

Rubin Glickman  
Melvin D. Lee  
Dr. Hannibal A. Williams

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Arnold Townsend and Mary Rogers, Western Addition Project Area Committee (WAPAC); Leland Meyerzove and Sam Williams, San Francisco Coalition; and representatives of the Coalition Against Nihonmachi Evictions (CANE) and the Coalition in Support of Nihonmachi Tenants.

Representing the press were Marshall Kilduff, San Francisco Chronicle; Ken Wong, San Francisco Examiner; Dan Borsuk, San Francisco Progress; Doug Chan, San Francisco Journal; Jim Clancy, KTVU Channel 2; Mike Cerre, KRON Channel 4 TV; Linda Schact, KPIX Channel 5 TV; and Leland Meyerzove, KPOO FM.

APPROVAL OF MINUTES

It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that the minutes of the Regular Meetings of June 21, 1977, June 28, 1977, and July 5, 1977, as corrected, and the minutes of the Executive Meetings of June 29, 1977 and July 5, 1977 as distributed by mail to the Members, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) In connection with the building at 1869 Buchanan Street, the Court has extended the time scheduled for the Agency appearance until Thursday, July 28, 1977. That extension was initiated by the City Attorney's Office and apparently relates to the change in the Court's assignments whereby Judge Ira Brown, rather than



REPORT OF THE EXECUTIVE DIRECTOR

Judge E. Benson, will be handling such actions. Mr. Hamilton also indicated that staff has been in discussion with some of the tenants of the building to ascertain their relocation needs, and it has been found that they hold views differing from those reported by those persons purporting to represent these tenants. Mr. Hamilton indicated that the Coalition to Support Nihonmachi Tenants had been invited to a meeting held at 10 a.m. on July 8, 1977, but the group elected not to attend. Had the Coalition done so, it would have known the progress of those discussions and the events with respect to extension of the Court date. Mr. Hamilton indicated that attempts to discuss the issues would be continued and the matter will be calendared for the Commissioner's consideration at the July 26, 1977 regular meeting of the Agency.

A person identifying himself as a representative of the Coalition to Support Nihonmachi Tenants came forward and demanded permission to make a presentation on 1869 Buchanan Street, but President Wexler indicated that the matter would be calendared on July 26, 1977 and an opportunity for discussion would be provided at that meeting. The speaker strongly expressed opposition to this and alleged that the negotiations between the Agency and tenants were not sincere. He indicated that the Coalition would return at a future meeting and again voice its complaints. He also demanded that the Agency cancel its previous agreement with Mr. Mas Ashizawa for the development of the site which includes 1869 Buchanan Street. He reiterated the Coalition's demands to preserve that building as low-income housing. At this point, supporters of the Coalition expressed protest of the Agency's refusal to accede to their demands by chanting, clapping and acting so disruptively that the meeting could not continue.

RULE OF THE CHAIR: President Wexler declared that due to disruptive behavior a recess of the regular meeting would be held unless there was objection from the other Commissioners. There being none, the meeting recessed at 4:20 p.m. to an executive session previously planned to be held at the end of the meeting to review potential litigation unrelated to matters before the Agency on the agenda.

The regular meeting of the San Francisco Redevelopment Agency reconvened at 5:30 p.m. Commissioners Wexler, Shelley, Blomquist, and Kaplan were present, and also Wilbur Hamilton and certain staff; Thomas A. Feeney and J. Richard McElyea, Economic Research Associates; and Leland Meyerzove and Sam Williams, San Francisco Coalition.

NEW BUSINESS

- (a) Resolution No. 143-77 approving the first amendatory agreement to the disposition agreement with Crow-Spieker-Hosford No. 32, and authorizing the Executive Director to execute necessary documents, India Basin Industrial Park Approved Redevelopment Project Area, Parcels B-2, 13, 14, 15, 16, and 17.

Mr. Hamilton indicated that this concerned the six-months' extension of a disposition agreement with Crow-Spieker-Hosford No. 32, a Trammel Crow partnership, for development of a 64,000 square-foot building on the northeast corner of Evans and Mendell Streets in the India Basin Industrial Park. The developer has not yet secured a tenant who meets the project's criteria for labor-intensive employment. Also included in the amendment of the agreement is the incorporation of new and more specific Department of Housing and Urban Development (HUD) non-discrimination language.



NEW BUSINESS (continued)

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted.

- (b) Resolution No. 145-77 authorizing the Executive Director to execute the first amendment to the agreement with the San Francisco Coalition regarding affirmative action respecting the Yerba Buena Center Approved Redevelopment Project Area.

Mr. Hamilton indicated this item concerned an amendment of the agreement with the San Francisco Coalition to delete the requirement that \$20 million in mortgage financing for construction be obtained prior to issuance of a notice to the Coalition to proceed with recruitment and training of minorities and women for construction jobs, and also that the annual salary for the position of Administrative Assistant be increased from \$10,000 to \$12,000. These amendments will enable the Coalition to begin training of fourteen CETA employees for recruitment availability for construction jobs.

ADOPTION: It was moved by Ms. Blomquist, seconded by Mr. Kaplan, and unanimously carried that this resolution be adopted.

- (c) Resolution No. 144-77 authorizing the Executive Director to enter into an owner participation agreement with certain property owners in Western Addition Approved Redevelopment Project Area A-2, Block 1102, Lot 10; Block 779, Lot 23; Block 677, Lot 40.

This represents approval of three owner participation agreements on properties located at 1201 Broderick Street in Block 1102, Lot 10, owned by Mr. James V. Gibbs; 1269-69-1/2 McAllister in Block 779, Lot 23, owned by Messrs. Alan F. Hall and Gregory Jay Clark; and 3 Cottage Row in Block 677, Lot 40, owned by Mr. and Mrs. Epimaco Mansueto. Mr. Gibbs will expend \$8,000 in private funds to install a new retaining wall, correct termite infestation, and install a new sub-floor covering in his owner-occupied home. Messrs. Hall and Clark's property meets the Agency's and City's standards and codes. It was originally rehabilitated by the Agency and was converted into a duplex, with new paint for the exterior and interior surfaces. The Mansueto dwelling was one of six on Cottage Row and the owners have used private funds of \$8,000 to improve their property to meet all requirements.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted.

- (d) Resolution No. 147-77 approving consultant services with Economic Research Associates, Yerba Buena Center Approved Redevelopment Project Area.

Mr. Hamilton indicated that this concerned a contract with Economic Research Associates of San Francisco (ERA) to evaluate the potential and feasibility of a pleasure park for a portion of the Central Blocks in Yerba Buena Center. These services would be for an amount not to exceed \$30,000 and provide background research, concept definition, and market and financial analysis for the park. In addition, ERA would be available to provide proposal evaluation, alternate development possibilities, and other services required. The services under this portion of the contract will not exceed \$20,000 to be paid on an hourly rate of from \$45 to \$60 for the Vice Presidents, \$35 to \$48 for Senior Associates, and \$20 to \$35 for Associates.



NEW BUSINESS (continued)

Mr. Kaplan inquired how this contract tied in with that of Mr. Richard Gryziec and Mr. Hamilton responded that Mr. Gryziec was inquiring into various architectural concepts and alternatives in connection with the theme park construction. This consultant contract would provide the analysis necessary to determine whether or not Mr. Gryziec's scheme is economically feasible and the consultant would be working in conjunction with Mr. Gryziec.

Mr. Sam Williams of the San Francisco Coalition came forward and indicated his unfamiliarity with the ERA firm and requested information on the firm before the Commissioners acted on the item. Mr. Hamilton indicated that he would inform the Coalition of all pending and executed agreements in Yerba Buena Center. He stressed his belief that the contract should not be delayed because ERA is needed to begin evaluations now in concert with activities being undertaken under the direction of Mr. Roger Boas, the City's Chief Administrative Officer. In response to Mr. William's inquiry, Mr. Hamilton assured him that Agency staff would soon be in contact with the Chairman of the Coalition to arrange a meeting for such a briefing.

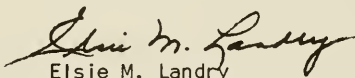
Mr. Leland Meyerzove of the San Francisco Coalition came forward and indicated that the Coalition had previously voted to support the Tivoli Gardens concept and he requested that the matter not be delayed.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted.


ADJOURNMENT

It was moved by Mr. Kaplan, seconded by Ms. Shelley, and unanimously carried that the meeting be adjourned to executive session. The meeting adjourned at 5:40 p.m.

Respectfully submitted,

  
Elsie M. Landry  
Assistant Secretary

Edited by,

  
Helen L. Sause  
Secretary





MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
19TH DAY OF JULY 1977

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 19th day of July 1977, the place, hour, and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Howard M. Wexler, President  
Dian Blomquist  
Rubin Glickman  
Walter F. Kaplan

and the following were absent:

Joan-Marie Shelley, Vice President  
Melvin D. Lee  
Dr. Hannibal A. Williams

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Arnold Townsend, Mary Rogers, E. Stancil, Larry Woods, Ed Crocker, and Richard Ray, Western Addition Project Area Committee (WAPAC); David DeNarde, DeNarde Construction Company; Martha Senger and Pamala Ross, Goodman Group; Claude Carpenter, Bayview-Hunters Point Joint Housing Committee; Mervyn Goodman and Charles Walker, interested citizens.

Representing the press were Donald Canter, San Francisco Examiner; and Marshall Kilduff, San Francisco Chronicle.

SPECIAL APPEARANCES

Public hearing to hear all persons interested in the proposed transfer and conveyance of Parcel 1127-A(1), Western Addition Approved Redevelopment Project Area A-2

- (a) President Wexler opened the public hearing to hear all persons interested in the matter of the proposed transfer and conveyance of Parcel 1127-A(1), Western Addition Approved Redevelopment Project Area A-2. There being no persons wishing to appear in connection with the matter, the President declared the public hearing closed.

Public hearing to hear all persons interested in the proposed transfer and conveyance of Parcel 1129-N, Western Addition Approved Redevelopment Project Area A-2

- (b) President Wexler opened the public hearing to hear all persons interested in the proposed transfer and conveyance of Parcel 1129-N, Western Addition Approved Redevelopment Project Area A-2. There being no persons wishing to appear in connection with the matter, the President declared the public hearing closed.



REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) The first meeting of the Advisory Committee for the Northern Waterfront Redevelopment Survey Area was held on July 18, 1977. The meeting was very constructive and Mr. Toby Rosenblatt, Commissioner for the City Planning Commission, was elected Chairman. The committee will meet again in mid-September. An agreement which will enable survey studies to begin has now been signed by the San Francisco Port Authority, City Planning Commission, and the Agency, representing the agencies to be involved in the Northern Waterfront area.
- (b) The Agency appeared before the Citizens Committee for Community Development and presented the Agency's budget program on July 14, 1977. The Committee today is hearing recommendations for the Mayor's final budget proposals for the Community Development Program for 1978 from the Office of Community Development.
- (c) Today marks the last formal appearance of Agency General Counsel Tilden H. Edwards who is retiring from the Agency. Mr. Leo E. Borregard will assume total responsibility for management of the Agency's legal affairs. President Wexler expressed appreciation on behalf of the Commissioners for the services of Mr. Edwards and wished him well. He welcomed Mr. Borregard to the staff.

President Wexler also noted that Commissioners Shelley and Lee were on vacation and that it was hoped Dr. Williams, who is recovering from a back ailment, will be able to join the Commissioners at the next week's meeting.

NEW BUSINESS

- (a) Resolution No. 151-77 approving the disposition price and method of sale; ratifying publication of notice of public hearing; and authorizing acceptance of offer to purchase and execution of agreement for disposition and conveyance instruments; all in connection with the sale of Parcel 1127-A(1), Western Addition Approved Redevelopment Project Area A-2.

This was the subject of the public hearing just held and concerns disposition to Willie and Ruby Ballard for \$11,500 of the tenth of twelve Victorian buildings moved by the Agency in late 1974 to new sites. These buildings were originally offered for purchase by certificate holders but no bids were received so the Foundation for San Francisco's Architectural Heritage assumed the role of finding developers to rehabilitate the structures. To date, eight of the twelve have been purchased and completely rehabilitated, one has 75 percent of its rehabilitation work completed, and two have deposits on them and their prospective owners are finalizing contractor's costs. Mr. Ballard will rehabilitate this 4-unit building at a cost of \$120,000 to conform to Agency and City standards and codes, Utilizing the Agency's Rehabilitation Loan Program. Staff believes that Mr. Ballard who is a minority general contractor has sufficient additional financial resources to complete purchase and rehabilitation of the parcel.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted.



NEW BUSINESS (continued)

President Wexler indicated his understanding that in the near future the Commissioners will be receiving information on the two other buildings on which deposits have been received and that time schedules for their rehabilitation will also be available. Mr. Hamilton answered affirmatively.

- (b) Resolution No. 152-77 approving the disposition price and method of sale; ratifying publication of notice of public hearing; and authorizing acceptance of offer to purchase and execution of agreement for disposition and conveyance instruments; all in connection with the sale of Parcel 1129-N, Western Addition Redevelopment Project Area A-2.

This item was also the subject of a public hearing and concerns disposition of a 15-unit apartment building to the highest of the eight bidding certificate holders, Arron Rubino, et al, for \$70,108. Mr. Rubino will rehabilitate the structure at 1840 Turk between Divisadero and Broderick Streets at a cost of \$222,856 through the Agency's Rehabilitation Loan Program, and also will spend \$19,000 on a parking lot. The minimum bid was \$23,875 and the low bid was \$28,699.

President Wexler expressed pleasure in seeing the large number of certificate holders bidding on this parcel which he believed was indicative of the interest in renovation of Victorian structures. He noted that he looked forward to awarding the Agency's remaining properties through the bidding process.

ADOPTION: It was moved by Ms. Blomquist, seconded by Mr. Kaplan, and unanimously carried that this resolution be adopted.

- (c) Resolution No. 149-77 authorizing termination of agreement for disposition of land for private redevelopment pertaining to Parcel 714-A, Western Addition Approved Redevelopment Project Area A-2.

This represents termination of a disposition agreement with Mr. Alexander Maisin which was executed on May 7, 1970, in accordance with his request for withdrawal. This will fulfill one of the actions required by the July 6, 1977 designation of Alan Wofsy and Associates as potential developer of the Goodman Building.

Mr. Mervyn Goodman requested and received permission to address the Commissioners. Mr. Goodman indicated that he had notified the Commissioners six months ago that he had opposed the award of the property to Mr. Maisin in 1969 or 1970 and that a case contesting the award has been pending in court. He indicated that the judge hearing this case had ruled against it a month after the Maisin letter of July 1, 1976. Mr. Goodman indicated that the case was under appeal at this time and noted that he and the Agency could have saved legal costs if Mr. Maisin had been released from his disposition agreement at the time it was received. He noted that the termination could possibly open the door to further litigation. He indicated that if the agreement is actually cancelled then the lawsuit would be moot. President Wexler inquired if Mr. Goodman supported or opposed the termination of the Maisin agreement, and he indicated that he was not appearing in opposition but wanted the Commissioners to be aware that the property was taken from him as one parcel, and he had some questions about subdividing the parcel in two for Mr. Wofsy. Mr. Goodman referred to the Agency minutes of August 26, 1969, November 12, 1969



NEW BUSINESS (continued)

and May 5, 1970 and a press release which he had distributed to the Commissioners relating to designating Mr. Alexander Maisin as the developer. Mr. Goodman indicated that approximately six or seven years ago he had been prevented from rehabilitating the building because of restrictive fire limits and the amount that could be spent for improvements. Mr. Goodman indicated that now the Agency was making it possible for a new developer to rehabilitate the building and that this may open up further litigation because he believed he had a priority on the Van Ness Avenue parcel. Mr. Goodman indicated that the new Commissioners had treated him fairly. President Wexler thanked him for his comments.

Ms. Pamela Ross, attorney representing the Goodman Group, came forward and alleged that her clients had had only five hours notice prior to the meeting on July 5, 1977 at which Mr. Wofsy was designated as developer of the Goodman Building. She requested that the Commissioners conduct a rehearing on the Wofsy designation four weeks from today. She also indicated her belief that Mr. Wofsy had repudiated his agreement with the Goodman Group and that this negated their understanding with the developer. She indicated that the Goodman Group wished to present its own proposal to rehabilitate the Goodman Building up to minimum City codes required and to permit low-cost housing to be developed with subsidies. She indicated that the Goodman Group had not been successful in finding a developer willing to work with them, or interested in providing low-income housing. She also noted that the Agency staff had not been very helpful in preparing information nor in seriously reviewing offers made by the Goodman Group.

President Wexler inquired if the Goodman Group were in opposition to the issue before the Commissioners on today's agenda, and Ms. Ross replied that they were pleased that this indicated that the Goodman Building would be preserved and not have high-rise construction on the site but basically the Group was not taking a position on today's action. President Wexler suggested that if Ms. Ross wanted the Commissioners to consider whether a rehearing should occur then the request should be submitted in written form initially to staff for evaluation with specific information on any new factors that the Goodman Group would present if a new hearing was held.

Ms. Ross indicated she had not attended the July 5, 1977 meeting and that she had attempted to work with Mr. Wofsy at the time an agreement existed. President Wexler suggested that Ms. Ross review the Agency minutes which would be available to her through the Secretary regarding that meeting. Ms. Ross indicated that she would review the minutes and stressed that there was no support among the tenants for Mr. Wofsy. She commented on the efforts of the Goodman Group, noting that the Goodman building had landmark status because of the Group's efforts.

President Wexler indicated that the Commission had designated Mr. Wofsy as the developer of the Goodman Building and stressed that he in no way was committing the Commissioners to reopen the matter but suggested any new evidence that the Group had go to staff for evaluation.





NEW BUSINESS (continued)

Mr. Ed Crocker of the Western Addition Project Area Committee (WAPAC) came forward and inquired if the original disposition agreement with Mr. Maisin included Lots 2 and 11 or only Lot 11, and Mr. Hamilton indicated all parcels were included.

Mr. Goodman came forward and indicated that in connection with the designation of the Goodman Building as a Historical landmark, he had appeared before the Landmark Board and had advised them that the only basis for designating the structure as a historical landmark was the reason that he was born there. He stressed his belief that the structure did not merit landmark status.

In response to Mr. Kaplan's inquiry, Mr. Hamilton noted that the Van Ness Avenue portion of the property was being evaluated and that this matter would be before the Commissioners at an early date. President Wexler affirmed his understanding that the Commissioners would soon receive information on how to proceed with development of that parcel and noted that Mr. Goodman would be advised on this proposal.

ADOPTION: It was moved by Ms. Blomquist, seconded by Mr. Glickman, and unanimously carried that this resolution be adopted.

- (d) Resolution No. 146-77 awarding Site Improvement Contract No. 17 to DeNarde Construction Company, Hunters Point Approved Redevelopment Project Area NDP A-5.

This item concerns award of Site Improvement Contract No. 17 to the lowest of two bidders, DeNarde Construction Company, for \$1,885,709.50, for completing site improvements in preparation for housing construction on Site C in Hunters Point. The work includes grading, installation of subdrains and utilities, street construction, and construction of retaining walls. DeNarde Construction Company had listed in its bid the firm of Bay Cities Excavators as the subcontractor for paving, excavating and grading. At the June 27, 1977 regular meeting of the Bayview-Hunters Point Joint Housing Committee, the Committee members voted to urge that the Agency deny DeNarde award of the contract if the Bay Cities firm was to be physically involved in work on that job site. Mr. Hamilton recalled that the Committee had on previous meeting occasions made known to the Agency its objections concerning Bay Cities. Discussions have been held with the DeNarde firm and the Agency has now been assured that Bay Cities will not physically be involved in the contract and that Rosas Construction Company will actually perform the work. He stressed that Bay Cities would not be physically involved in the work, although the firm would continue to be listed as the subcontractor. He noted that Rosas Construction Co. would supply all the equipment, materials and personnel in connection with performance of the work. DeNarde has indicated its willingness to sign a letter prepared by the Agency's General Counsel, specifically guaranteeing that Rosas Construction Company would perform the work. Mr. Hamilton indicated that award of the contract to DeNarde is contingent upon the signing of this letter.

Mr. Claude Carpenter, representing the Bayview-Hunters Point Joint Housing Committee, came forward and indicated that not only the Committee but all other groups in the Bayview-Hunters Point area had concurred in the recommendation that Bay Cities not perform any work in the project area.



NEW BUSINESS (continued)

In response to President Wexler's inquiry Mr. Carpenter responded that he was in favor of the proposal as presented.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted.

- (e) Resolution No. 154-77 approving a settlement claim by Goldrich, Kest, and Associates for extra work on the construction of housing units in Moderato-Priced Private Housing Site 4, Hunters Point Approved Redevelopment Project Area.

This represents payment of \$14,541 for extra costs incurred in construction of Sites 4A and 4B in Hunters Point by the housing contractor, Goldrich, Kest and Associates. The contractor had to alter the existing water system planned by a previous sponsor, at a cost of \$6,236 which was not in the original contract. In response to President Wexler's inquiry, Mr. Redmond Kernan, Deputy Executive Director for Planning and Development, indicated he had reviewed the claim and was satisfied with the evaluation.

ADOPTION: It was moved by Ms. Blomquist, seconded by Mr. Kaplan, and unanimously carried that this resolution be adopted.

- (f) Resolution No. 156-77 approving and authorizing the Executive Director to execute a personal services contract with Cowhey Pacific Drilling for drilling test water wells within the Hunters Point/India Basin Industrial Park Approved Redevelopment Project Area.

President Wexler indicated that this item would be held over for one week.

- (g) Resolution No. 150-77 approving and authorizing the Executive Director to execute two interdepartmental work orders to the City and County of San Francisco for inspection services in connection with the Hunters Point and India Basin Industrial Park Approved Redevelopment Project Areas.

This concerns issuance of two Department of Public Works work orders to cover construction inspection services for one year for site improvement contracts valued at approximately \$8.2 million in Hunters Point and \$3 million in India Basin Industrial Park. The City work orders are for \$44,000 for Hunters Point and \$39,000 for India Basin. The Agency is constructing streets, sewers, retaining walls, street lights, and other improvements which will ultimately be dedicated to and accepted by the City. Inspection by the City allows the Agency to avoid hiring additional staff inspectors and is more efficient.

ADOPTION: It was moved by Ms. Blomquist, seconded by Mr. Kaplan, and unanimously carried that this resolution be adopted.

- (h) Resolution No. 155-77 awarding Personal Services Contract HE-37 to Murray-McCormick, Inc., Hunters Point Approved Redevelopment Project Area.

This represents a contract for engineering services with Murray-McCormick, Inc. in connection with the Hunters Point project for an amount not to exceed \$45,000. The Commissioners had previously authorized staff to negotiate a contract with this firm for assignment of a consulting project engineer on Agency staff to assist the Agency's resident engineer with nonfield duties.



NEW BUSINESS (continued)

The maximum contract period would be for one year at an hourly rate of \$20 per hour, which is considered to be reasonable for the work in question.

Ms. Blomquist expressed concern about adding an additional engineer to the fourteen Agency engineers at Hunters Point and inquired why more efficient use could not be made of the present staff. Mr. Hamilton indicated that this had been discussed during consideration to authorize negotiation of the Contract for these services and Mr. Glickman concurred noting his satisfaction with the explanation that had been previously provided. Mr. Hamilton explained that primarily it was a matter of how the engineers were deployed to oversee several million dollars of construction work that was underway and in staff's opinion it was necessary to have the additional protection of a person of professional competence

Mr. Kernan came forward and indicated that this engineer would reduce expenses by obviating another contract and to better coordinate surveying and design services. Ms. Blomquist inquired if there were to be more contracts, and Mr. Kernan answered negatively noting that this contract will provide the services at a less expensive rate.

President Wexler commented that it was difficult for the Commissioners to know the precise number of individuals needed for any task but in his opinion the engineering work had been performed well in a difficult topographical area, and he commented on the quality of housing that had been built. He urged support for any work necessary to permit housing to go forward, and Mr. Glickman concurred, indicating that anything which would impair housing development in Hunters Point would be a serious mistake. He stressed his belief that the economics were difficult to understand but the housing problems were so serious the Agency could not afford to do anything which would impair work at Hunters Point.

Ms. Blomquist inquired if this engineer was not used whether a contract with Genge would be an alternative, and Mr. Kernan responded affirmatively, adding that the other option would be to hire additional staff for a period of one year to direct the process.

ADOPTION: It was moved by Mr. Glickman, seconded by Mr. Kaplan, and unanimously carried that this resolution be adopted, and on roll call the following voted "Aye":

Ms. Blomquist  
Mr. Glickman  
Mr. Kaplan  
Mr. Wexler

and the following voted "Nay":

None

and the following abstained:

None

The President thereupon declared the motion carried.



NEW BUSINESS (continued)

- (i) Resolution No 153-77 approving and authorizing the execution of a repayment contract with the City and County of San Francisco in connection with the Embarcadero-Lower Market Redevelopment Project Area E-1.

This item represents a repayment contract with the City and County of San Francisco to refund any tax funds not needed to pay for the Embarcadero Bart Station shell bonds. The Agency General Counsel will review the agreement prior to its execution and Agency bond counsel has advised that such a repayment agreement is in order. The costs have not been finally determined but the Agency currently has sufficient funds to pay for the cost of the station shell. In responding to Mr. Kaplan's question, Mr. Hamilton indicated that an audit would still have to be done on the account.

ADOPTION: It was moved by Mr. Kaplan, seconded by Mr. Glickman, and unanimously carried that this resolution be adopted.

- (j) Resolution No. 148-77 authorizing the Executive Director to convey easements to the City and County of San Francisco and to public utility companies in all approved redevelopment project areas.

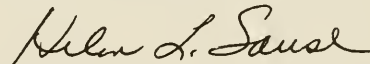
Mr. Hamilton indicated that this item would authorize the Executive Director to convey easements for sewers, storm and surface drainage, footings, public utilities and other purposes to the City and County of San Francisco and to public utility companies in accordance with the redevelopment plans for the various projects. Mr. Hamilton indicated that none of these easements affect any developer parcels.

ADOPTION: It was moved by Ms. Blomquist, seconded by Mr. Kaplan, and unanimously carried that this resolution be adopted.

ADJOURNMENT

It was moved by Ms. Blomquist, seconded by Mr. Kaplan, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:05 p.m.

Respectfully submitted,



Helen L. Sause  
Secretary





7-22-77

MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
26TH DAY OF JULY 1977

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 26th day of July 1977, the place, hour, and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Howard M. Wexler, President  
Dian Blomquist  
Rubin Glickman  
Walter F. Kaplan  
Dr. Hannibal A. Williams

and the following were absent:

Joan-Marie Shelley, Vice President  
Melvin D. Lee

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Arnold Townsend, Mary Rogers, Gene Stancil, Larry Woods, and Richard Harper, Western Addition Project Area Committee (WAPAC); Mrs. Victor Beard, League of Women Voters; Richard Gryziec, architect/planner; Claude Carpenter, Bayview-Hunters Point Joint Housing Committee; Ellen Griffith, Dennis Ong, Rick Jurgens, Joe Lambert, Met Quok, Jeff Johnson, Tas Okomoto, and Fernando Gonzales, Coalition to Support Nihonmachi Tenants; and Mas Ashizawa, Nihonmachi Community Development Corporation.

Representing the press were Donald Canter, San Francisco Examiner; Marshall Kilduff, San Francisco Chronicle; Dan Borsuk, San Francisco Progress; and Doug Chan, San Francisco Journal

APPROVAL OF MINUTES

It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that the minutes of the Regular Meetings of July 12, 1977 and July 19, 1977 and the minutes of the Executive Meetings of July 12, 1977, as corrected and as distributed by mail to the Members, be approved.

SPECIAL APPEARANCES

- a) Public hearing to hear all persons interested in the matter of the proposed transfer and conveyance of Parcel 1127-B, E/Divisadero between Ellis and Eddy Streets, Western Addition Approved Redevelopment Project Area A-2.

President Wexler indicated that this hearing would be continued until August 9, 1977.



REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- ) The Agency is pleased with the new design proposed for the Yerba Buena Center convention hall, which replaces the preliminary plan to have trusses above-ground and now will provide an arch-framed column-free exhibit hall. This increases the possibility of using the surface of this facility for other uses, such as a pleasure park as recommended by the Mayor's Select Committee. Mr. Hamilton indicated that the Agency will continue to work with Chief Administrative Officer Roger Boas to achieve development of the project.

BUSINESS

- ) Resolution No. 158-77 approving the method of sale and minimum disposal prices for certain parcels; approving placement of advertising; and making certain findings and determinations in connection therewith, Hunters Point Approved Redevelopment Project Area.

Authorization is requested to offer 49 parcels in the Hunters Point project area for development of detached and semidetached single-family units. The offering will be made on the basis of predetermined prices with competition on other-than-price basis. Parcel prices are established by reuse appraisals and are not less than fair market value. Selection of developers will be based upon the architectural quality and compliance with design objectives, according to the Architectural Design Review Statement; economic feasibility of the proposal; financial capacity of the developer and the demonstrated ability of the design team; and the developer's ability to proceed expeditiously with development of the site. Authorization is also requested to expend not more than \$3,300 for advertising the parcels. Dr. Williams inquired if there had been any comment from the Bayview-Hunters Point Joint Housing Committee, and Mr. Earl Mills, Area Director for the Hunters Point and India Basin projects came forward and responded that the Committee was aware that the sale was planned and that the staff would continue working with them in reviewing the entire process of marketing the parcels. He also indicated the matter had been discussed at one of the JHC Board of Director's meetings and no objection had been expressed to the offering.

Mr. Claude Carpenter of the Bayview-Hunters Point Joint Housing Committee, came forward and indicated that the Committee wished to have the matter move as quickly as possible in order to make the neighborhood more attractive.

ADOPTION: It was moved by Dr. Williams, seconded by Mr. Glickman, and unanimously carried that this resolution be adopted.

- b Resolution No. 156-77 ratifying authorization for the Executive Director to execute a personal services contract with Cowhey Pacific Drilling for drilling test water wells within the Hunters Point/India Basin Industrial Park Approved Redevelopment Project Areas.

Mr. Hamilton indicated that this item had been held over from the previous meeting and represented a ratification of a personal services contract with Cowhey-Pacific Drilling for \$35,000 to drill test water wells which may provide for the water needed in conjunction with new construction in the Hunters Point and India Basin projects. It is estimated that 21.2 million gallons will be needed in the projects during the next two years. The City's mandatory water rationing plan does not provide for



NEW BUSINESS (continued)

additional service that the Agency's construction program requires. Staff has evaluated all alternatives and recommends that water wells are the most advantageous method of obtaining water since adequate city water is unavailable.

Mr. Kaplan inquired why the ratification was necessary, and Mr. Hamilton responded that it was due to the limited time within which the Agency could obtain the services of a drilling company. President Wexler indicated that the Commissioners had been polled to see whether there was a majority approval for the contract because the Agency had to execute a contract with the drilling firm or lose its services because the firm was going to another job.

ADOPTION: It was moved by Dr. Williams, seconded by Mr. Glickman, and unanimously carried that this resolution be adopted, and on roll call the following voted "Aye":

Ms. Blomquist  
Mr. Glickman  
Mr. Kaplan  
Dr. Williams  
Mr. Wexler

and the following voted "Nay":

None

and the following abstained:

None

The President thereupon declared the motion carried.

Resolution No. 159-77 authorizing the Executive Director to enter into a contract with Richard Gryziec, architect/planner, for professional planning services in connection with the proposed recreation/entertainment complex in Yerba Buena Center Approved Redevelopment Project Area A-1.

This concerns a contract with Mr. Richard Gryziec to provide planning services in conjunction with economic consultant services provided by Economic Research Associates. Services in the amount of \$17,000 will provide for evaluation of items relating to a marketing approach for a recreational/entertainment complex on the exhibition hall site in the YBC Central Blocks. In addition, the contract would provide for Mr. Gryziec's ability on a per diem basis to provide additional services for \$14,400 in assisting the Agency in developing guidelines for an offering, preparing marketing aids, assisting in presentations, and providing input to a marketing strategy, as well as assisting in evaluation of the proposals, if the entertainment and recreational complex is found to be economically feasible. The total contract is not to exceed \$31,400 for a period not to exceed two years.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted.

Resolution No. 160-77 authorizing change of carriers for group life insurance and accidental death and dismemberment coverage.

This represents authorization to terminate the current contract with Crown Life Insurance Company for group and accidental death and dismemberment coverage for



BUSINESS (continued)

Agency employees, and authorization to execute a new contract with Republic National Life Insurance. The monthly difference in premium will result in a savings of approximately \$1,000 monthly divided between the Agency and its employees.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted.

- d) Consideration of status of building at 1869 Buchanan Street, Western Addition  
Approved Redevelopment Project Area A-2

President Wexler indicated that an attempt would be made to permit all sides to speak who wished to make a presentation and that the staff and representatives of Nihonmachi Community Development Corporation (NCDC), Western Addition Project Area Committee (WAPAC), Coalition to Support Nihonmachi Tenants (Coalition), and the Citizens Against Nihonmachi Evictions (CANE) would be allowed to present their views. An unidentified person came forward to speak and in response to President Wexler's inquiry she indicated that fifteen minutes would be sufficient opportunity in which to present the Coalition's position. Dr. Williams suggested that the presentations be limited since the Commissioners were familiar with the Coalition's position. President Wexler indicated that the groups present would be allowed 15 minutes to present their views and advised the groups present that the Commissioners were interested in hearing any new information that might be presented.

Another unidentified speaker indicated his belief that previous presentations of the Coalition's position were not productive because the Agency had not taken any stand and had refused to meet the demands of CANE and the Coalition.

President Wexler inquired if Mr. Hamilton wished to make a statement before proceeding and Mr. Hamilton indicated he did have a statement and staff's recommendation for the Commissioners' consideration and that he would make it at the conclusion of the presentations. He noted he was disappointed at the lack of participation of the Coalition in attempting to resolve the issues but staff was willing to continue discussions on the property at 1869 Buchanan and on related matters with anyone who is interested.

Ms. Ellen Griffith of the Coalition to Support Nihonmachi Tenants and CANE came forward and demanded that there be no evictions from 1869 Buchanan or 1531 Sutter Streets and that the buildings be maintained for low-income tenants. She believed that the Agency did not want to listen to the demands of CANE or the Coalition and that the Agency held its public meetings behind closed doors, because the groups were prevented from entering the meeting room. She indicated her belief that the two groups have always taken a firm and militant stand to uphold the rights of the Nihonmachi tenants and indicated that broad support for this effort came from many groups which also wanted housing for low-income persons. She reiterated the demand that there be no evictions. She noted that the Agency was to return to the court on Thursday and urged that it do so with plans to rehabilitate both 1869 Buchanan Street and 1531 Sutter Street. She criticized the Agency for playing the role of mediator at meetings with the Coalition and WAPAC, and alleged that the Agency was destroying low-rent housing in the area. She alleged that the Agency had not developed plans to stop the evictions, and had made unrealistic suggestions to move the structure at 1869 Buchanan Street. She now believed that the Agency planned to demolish the building so that Mr. Mas Ashizawa could construct Section 8 housing which she considered unacceptable because there was no guarantee the





W BUSINESS (continued)

subsidies would always be available. She claimed that the Agency had made no firm commitment to meet the needs of the tenants. She also believed that the Agency planned to move the tenant, Mr. Henry Lee, to 1531 Sutter Street and that this was not in the Lee's best interests and that the Lees will not move. She claimed that the Agency has alleged there were differences between the tenants and the Coalition and CANE but she did not believe that the tenants would agree with that allegation. She urged that the 1531 Sutter Street repairs be made and reiterated her belief that Mr. Lee would not move there. She also urged that other floors be repaired later to accommodate other tenants. Ms. Griffith expressed concern that barricading the third and fourth floors made it difficult for the tenant to move his personal belongings. Ms. Griffith claimed that the agreement with Mr. Ashizawa was not binding and urged that his deposit be returned and the building made available for rehabilitation and for housing low-income persons. She indicated that by the Agency's inaction it is permitting the evictions to take place and urged that the Commissioners direct the staff to rehabilitate the building.

Mr. Dennis Ong of the Coalition to Support Nihonmachi Tenants came forward and indicated his belief the Agency was causing evictions and destroying homes and businesses in the Nihonmachi area. He claimed that the Japanese Cultural and Trade Center was an example of how the Agency favored businesses and not community people and that the Nihonmachi Community Development Corporation (NCDC) was not representative of Japanese people in the community. He demanded that the NCDC agreement be terminated and that 1869 Buchanan Street be repaired for low-rent housing for the Japanese community.

Mr. Rich Jurgens of the International Hotel Support Committee came forward and reiterated the demands of the previous speakers in support of the Coalition's request for low-rent housing and no evictions. He indicated that the tenants were determined not to move and that the fight for low-rent housing would continue. He claimed the Agency was harassing the community and was intimidating the Coalition and CANE by tactics which were similar to those of other governmental agencies throughout the city.

Mr. Fernando Gonzales came forward and indicated that confrontations were not his business and that he believed the Commissioners had humanistic principles. He did not understand the reasons for the aggressiveness in this case but he was concerned that the neighborhood would be destroyed for families. He expressed his belief that the Commissioners were supposed to be liberals.

Mr. Joe Lambert of the Tenants Action Group came forward and indicated support for the demands of the Coalition and CANE indicated his belief that the Agency's promises to help tenants were in fact insincere.

Ms. Met Quok, of the Asian Students Union of the University of California at Berkeley, came forward and indicated that she learned at school that it was important to have low-rent housing in Japan Town otherwise the Japanese people would be segregated into substandard housing. She claimed that the Agency was dispersing the Japanese community and oppressing them. She also expressed the opinion that the Agency was retreating from the demands of the Coalition. She repeated the demands of the group that the Commissioners decide today to retain and rehabilitate the building.

Mr. Jeff Johnson of the Chinese Progressive Association came forward and indicated his support for the Nihonmachi tenants, which he claimed were facing a situation



W BUSINESS (continued)

similar to that of the tenants of the International Hotel. He repeated the demands of the Coalition and asked that the life safety hazards be taken care of at 1531 Sutter Street.

Mr. Mas Ashizawa came forward and indicated he was the designated developer of the site on which 1869 Buchanan is located. He indicated that his plans were to develop 15 to 25 units under Section 8 subsidized housing which is more than what is currently available. He indicated that the people who make up the community were so busy making their living that they could not be present today. Mr. Ashizawa read a letter he sent to Mr. Hamilton dated July 21, 1977, in which he stated the following:

"Parcel 676-A has been allocated to me for development within the Nihonmachi area of the Western Addition Redevelopment Area A-2. It was my original intention, based upon information available to me at the time, to develop market-rate housing on the site. More recent information has prompted me to consider subsidized family housing on this site. If a bona fide study indicates that it is economically feasible, I will commit myself to developing the maximum number of new family housing units (between 15 and 25) where the rents will be subsidized under the Section 8 Housing Assistance Payment Program of the U.S. Housing Act of 1937, as amended, or under a similar government program which will result in subsidized rents for low-income households."

Mr. Ashizawa indicated it was important to him that the site be cleared and the commitments of the Agency be honored.

Mr. Tas Okomoto came forward and indicated he was a tenant in the four-block Nihonmachi area and that since redevelopment of the area was 75 percent completed urged that it be allowed to continue.

Mrs. Mary Rogers of the Western Addition Project Area Committee (WAPAC) came forward and indicated that she was a resident of the Nihonmachi area and recommended that the Agency honor its agreement with the Nihonmachi Community Development Corporation. She indicated that Mr. Ashizawa has changed his plans to provide units for low-income families. At this point she was interrupted by members of the Coalition and CANE groups. She indicated that WAPAC based its recommendation on Mr. Ashizawa's agreement to provide low-income housing. She stressed the continuing interest of WAPAC in the provision of rental housing for low-income persons since few residents have sufficient money to purchase housing. She recommended that Section 8 housing be utilized to provide low-rent housing on the site of 1869 Buchanan Street and that Mr. Lee be relocated. At this point, the Coalition and CANE groups became vocally abusive and refuted Mrs. Rogers' statements.

President Wexler inquired if Mr. Hamilton wished to make a statement at this time, and Mr. Hamilton answered affirmatively. He recalled the background of the NCDC and the Buchanan Street building since the Agency acquired it in 1971. Mr. Hamilton pointed out that Mr. Lee had been moved into the building with the express understanding that the move was temporary and that he would be permanently relocated by the Agency when the site was needed. That tenant's rent was set at \$45 monthly and then reduced to \$37.50 which is what he is currently paying, for himself and wife.



W BUSINESS (continued)

He stressed that the Agency has a binding agreement with the NCDC. He noted that the Agency has sought to resolve the conflict regarding the building and has had meetings with WAPAC, NCDC, the Coalition, CANE, and the tenants but the Coalition has refused to attend any meetings after the first one. At these meetings, NCDC committed itself to providing 25 low-income units under the Section 8 subsidy program which would represent more than twice the number of units that would be provided by rehabilitation of the existing structure. Mr. Hamilton indicated that in the interests of the community it seemed appropriate to clear the site and permit the NCDC to develop the subsidized housing for low-income residents in the area. He indicated that the 1531 Sutter Street building is outside the Nihonmachi area and since there is no contractual conflict or development priority the Agency had undertaken to make repairs necessary to satisfy minimum and interim occupancy standards and permit use of the building as an interim housing resource. He indicated that staff recommended that the one tenant in 1869 Buchanan Street be rehoused at 1531 Sutter so that housing development can proceed. It has been suggested that the legal tenants of the 1531 Sutter Street property might pool their relocation payment benefits and jointly purchase a structure for condominium rehabilitation and ownership and a building has been identified which appears to be suitable for this purpose. The tenants have expressed interest in this proposal. Mr. Lee, who does not wish to remain at 1869 Buchanan Street, has indicated he would rather have alternative housing and this will be discussed further with him. Mr. Hamilton indicated that the Agency, NCDC, WAPAC, and the tenants have all been engaged in an attempt to resolve legitimate concerns, but neither the Coalition or CANE have contributed anything in terms of proposed solutions. They have refused to attend meetings and the Agency has been advised by the tenants that they have been harassed and intimidated by the two groups. Therefore, Mr. Hamilton recommended that the production of additional low-income housing proceed in a manner respecting the Agency's commitment to the Japanese community so that all legitimate housing needs of the low-income community will be met. A copy of Mr. Hamilton's statement is attached and made a part of these minutes.

At this point additional disruption of the meeting occurred. President Wexler indicated that he would permit one person to make a rebuttal.

Ms. Griffith came forward and emphasized her belief that the Agency was not serving the people of the Japanese community and that the tenants would not be in a position to buy a condominium building on their salaries. Her opinion was that the tenants did not have the responsibility to provide low-income housing but the City should provide such housing. She indicated concern that Section 8 housing provided no guarantee that they would remain as tenants since some had higher incomes than is permitted for low-income rental housing. She stressed that the Coalition and CANE would continue fighting to make certain there were no evictions in the community. Further chanting and protesting continued, and President Wexler requested that the guards remove one of the agitators.

MOTION: It was moved by Mr. Glickman, seconded by Ms. Blomquist, and unanimously carried that the recommendations of staff and Western Addition Project Area Committee be followed concerning resolution of the matter of 1869 Buchanan Street in Western



minutes of a Regular Meeting, July 26, 1977

W BUSINESS (continued)

Addition Area A-2, and on roll call the following voted "Aye":

Ms. Blomquist  
Mr. Glickman  
Mr. Kaplan  
Dr. Williams  
Mr. Wexler

and the following voted "Nay":

None

and the following abstained:

None

The President thereupon declared that the motion carried.

URNMENT

It was moved by Mr. Glickman, seconded by Mr. Kaplan, and unanimously carried that the meeting be adjourned. The meeting adjourned at 5:15 p.m.

Respectfully submitted,



Helen L. Sause  
Secretary





July 23, 1977

STATEMENT BY WILBUR W. HAMILTON  
EXECUTIVE DIRECTOR, SAN FRANCISCO REDEVELOPMENT AGENCY,  
REGARDING 1869 BUCHANAN STREET

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In 1968, the Redevelopment Agency entered into an agreement with the Nihonmachi Development Corporation, a private group made up of the commercial, institutional and residential property owners in the four square block Nihonmachi (Japan Town) section of the Western Addition A-2 Redevelopment Project Area. This traditional core of the San Francisco Japanese business community is bounded by Post, Webster, Bush and Laguna Streets.

The Nihonmachi agreement obligated the Agency to clear and convey ownership of all properties acquired in the four identified blocks to the community based Corporation. The Corporation would then select a community developer for each property to be improved in accord with a special plan jointly developed for the area and with the general use specified in the Redevelopment Plan approved by the Board of Supervisors. That agreement has been consistently honored, is still operative and, in the opinion of counsel, legally binding on this Agency.

In 1971, the Agency acquired the building located at 1869 Buchanan Street, a four-story wooden structure situated on the southwest corner of Buchanan and Bush Streets. Under the Nihonmachi agreement, this substandard building is to be demolished and the cleared parcel developed as market-rate housing. All legal residents were therefore successfully relocated from the building. Approximately three years ago a single tenant was moved into the building with the express understanding that the occupancy would be temporary and that he would be subsequently permanently relocated by the Agency. His monthly rent, was set at \$45.00, and subsequently reduced to \$37.50, which he is now paying. Approximately 18 months ago this tenant married and his wife joined him in the building.



The Agency is currently under Court order to relocate all remaining tenants from 1869 Buchanan Street because of life safety code violations or, in the alternative, make those repairs necessary to meet minimum City occupancy standards. The cost of such repairs, even for continued temporary use, would be in excess of \$30,000 and if the Agency honors its commitment to the Nihonmachi Development Corporation which calls for the delivery of a cleared site, such expenditure would be wasteful of public funds. The Agency has thoroughly explored the feasibility of moving the structure to another location for subsequent rehabilitation. That alternative was found economically unsound. The Agency will appear in Superior Court on Thursday, July 28, to advise the Court of the status of the building and our intentions in this matter.

The demolition of this substandard structure and the carrying out of the Agency's commitment to the Nihonmachi Development Corporation has been opposed by a group identified as the Citizens Against Nihonmachi Evictions (CANE) and, more recently, by the Coalition to Support Nihonmachi Tenants. These groups have taken the position that all residential units in the Nihonmachi area should be retained for low income housing regardless of the condition of the buildings involved and notwithstanding the Agency's obligation and commitment to present and former property owners as expressed in the Nihonmachi Corporation agreement. The building at 1869 Buchanan Street has become the focal point of concern in Agency meetings over the past two months.

The Agency has sought to resolve those conflicts which have developed with respect to 1869 Buchanan Street by convening a number of meetings in which all parties to the situation have been asked to participate. Many meetings have



been scheduled and the four major community groups have been asked to participate on three separate occasions in a continuing dialogue which, hopefully, would provide a basis for resolving legitimate differences of opinion. Those groups are the Western Addition Project Area Committee (WAPAC) which is designated by HUD as the official representative of the residents and owners in the area, the Nihonmachi Development Corporation, the Coalition to Support Nihonmachi Tenants, and the tenants themselves. The Coalition representative attended the first session, accompanied by Mr. Brian Spear, at that time identified as counsel to the Coalition. However, the Coalition has expressly refused to attend further meetings to discuss this matter. The Agency has continued to meet with the Nihonmachi Corporation, with WAPAC, and with a representative of the tenants.

In the above noted meetings, a number of proposals have been made which have significant bearing on the resolution of this matter.

The Nihonmachi Development Corporation and the Corporation member designated as developer of new housing on the 1869 Buchanan site have committed themselves to the use of the Section 8 housing subsidy program which would provide housing opportunity to approximately 25 low income individuals and/or families. This represents more than twice the number of legal units that would be provided by rehabilitation of the existing structure. It therefore seems appropriate and in the best interest of the community that the site be cleared as promised to community property owners of the Nihonmachi Corporation and that subsidized housing be developed in response to the needs of low income residents in the area.



The Agency has also acquired a building at 1531 Sutter Street which is actually outside the four-block Nihonmachi area. In response to concerns voiced by the same groups identified above and because no contractual conflict or development priority exist in connection with that building, the Agency has committed itself to making those repairs necessary to satisfy minimum and interim occupancy standards. This permits the use of the building as an interim housing resource for four families presently residing there, and it is anticipated that the repairs on that structure, already substantially completed, will be finished by close-of-business Wednesday, July 27.

The Agency's concern in this matter is that we respond to legitimate concerns about a wide range of housing opportunities in the project area while continuing to respect our long-standing agreement with the Nihonmachi Development Corporation. It is staff's recommendation that the tenant remaining at 1869 Buchanan Street be rehoused at 1531 Sutter Street in a unit specifically prepared for this purpose which would then permit the Agency to proceed with the development of much needed new housing.

WAPAC has had a continuing concern about additional low income housing in the area and is also quite concerned about the welfare of all legal tenants involved in this matter, both at 1869 Buchanan Street and those legal occupants of 1531 Sutter Street.

In discussions of an equitable long-range resolution of the housing needs of all legal tenants involved, it has been suggested that the legal tenants of 1531 Sutter Street, now joined by the family from 1869 Buchanan Street, might pool their relocation payment benefits and jointly purchase a structure for condominium rehabilitation and ownership. The Agency has identified a structure





which appears suitable for this purpose and has attempted to contact all tenants involved to explore the acceptability of this proposal. One of the tenants of 1531 Sutter Street has indicated he is quite interested, subject to the determination of feasibility, in exploring this concept. We have also spoken to the tenant at 1869 Buchanan Street and it is not his wish to remain in that structure, but rather would desire alternative housing, and we are scheduled to discuss this matter further with him.

The Agency, the Nihonmachi Corporation, the tenants and WAPAC have all been engaged in purposeful dialogue in an attempt to resolve legitimate concerns. The Coalition and/or CANE have contributed nothing in terms of proposed solutions; they have consistently refused to attend meetings; and we have been advised by the tenants involved that they have harrassed and intimidated occupants of the buildings in question. We remain open and available for discussion, negotiation and consideration of the issues involved here, but it is your staff's strong recommendation that we now proceed with the production of additional low income housing in a manner which respects this Agency's long-standing commitment to the Japanese community and our desire to meet all legitimate housing needs of the low income community.



5  
MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
9TH DAY OF AUGUST 1977

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The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 9th day of August 1977, the place, hour, and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Howard M. Wexler, President  
Dian Blomquist  
Rubin Glickman  
Melvin D. Lee  
Walter F. Kaplan

and the following were absent:

Joan-Marie Shelley  
Dr. Hannibal A. Williams

The President declared a quorum present.

Edmond F. Kernan, Acting Executive Director, and staff members were also present.

Also present were Arnold Townsend, Mary Rogers, Benny Stewart, Richard Hansen, Gene Stancil and Ed Crocker, Western Addition Project Area Committee (WAPAC); Elouise Westbrook, Claude Carpenter, Charles Carpenter, Willa Jones, Julia Commer, and Frank Whitfield, Bayview-Hunters Point Joint Housing Committee; Martha Senger, Goodman Group; Bertha Freeman, Bayview-Hunters Point Credit Union; Thomas Meeks, Diamond Heights Neighborhood Association; Garrett Jackson, Civil Service Association Local 400; Fred Napetschnig and Ted Anspacher, Pacific Western Engineering and California International Trading Company, Inc.; Melvin H. Lee, Melvin H. Lee Associates; Donald Gibson, Berridge Associates; Edward C. Birker and Roger Kobata, Edward C. Barker and Associates and Kobata Associates; James F. Cerstreet, Live Oak Development, Ltd.; Paxton Beale, San Francisco Hearing and Seech Center; Edward J. Gee, Frank L. Hope and Associates; and John Tobiasson and Wade Woods, interested citizens.

Representing the press were Marshall Kilduff, San Francisco Chronicle; and Dan Borsuk, San Francisco Progress.

President Wexler welcomed Mr. Lee back from his vacation.

#### APPROVAL OF MINUTES

It was moved by Ms. Blomquist, seconded by Mr. Kaplan, and unanimously carried that the minutes of the Regular Meeting of July 26, 1977, as distributed by mail to the Commissioners, be approved.

#### SPECIAL APPEARANCES

- (a) Public hearing to hear all persons interested in the matter of the proposed transfer and conveyance of Parcel E-2, India Basin Industrial Park Approved Redevelopment Project Area.



SPECIAL APPEARANCES

President Wexler opened the public hearing to hear all persons interested in the matter of the proposed transfer and conveyance of Parcel E-2, India Basin Industrial Park Approved Redevelopment Project Area. There being no persons wishing to appear in connection with the matter, the President declared the public hearing closed.

- (b) Public hearing to hear all persons interested in the matter of the proposed transfer and conveyance of Parcel H-6, Diamond Heights Approved Redevelopment Project Area B-1.

President Wexler opened the public hearing to hear all persons interested in the matter of the proposed transfer and conveyance of Parcel H-6, Diamond Heights Approved Redevelopment Project Area B-1. There being no persons wishing to appear in connection with the matter, the President declared the public hearing closed.

- (c) Public hearing to hear all persons interested in the matter of the proposed transfer and conveyance of Parcel 1127-B, Western Addition Approved Redevelopment Project Area A-2. (Continued from July 26, 1977)

President Wexler opened the public hearing to hear all persons interested in the matter of the proposed transfer and conveyance of Parcel 1127-B, Western Addition Approved Redevelopment Project Area A-2. There being no persons wishing to appear in connection with the matter, the President declared the public hearing closed.

- (d) Public hearing to hear all persons interested in the matter of the proposed transfer and conveyance of Parcel 684-A, Western Addition Approved Redevelopment Project Area A-2.

President Wexler opened the public hearing to hear all persons interested in the matter of the proposed transfer and conveyance of Parcel 684-A, Western Addition Approved Redevelopment Project Area A-2. There being no persons wishing to appear in connection with the matter, the President declared the public hearing closed.

REPORT OF THE EXECUTIVE DIRECTOR

Acting Executive Director Redmond F. Kernan reported to the Commissioners on the following matters:

- (a) A press release prepared by the consultant responsible for the Environmental Impact Report (EIR) on Yerba Buena Center indicated that the first public meeting on the EIR will be held August 11, 1977 at 7:30 p.m. in the Silvercrest Residence in Yerba Buena Center. Briefly explained are the various alternatives to be considered in the Yerba Buena Center environmental review. Following completion and certification of the EIR, staff will make recommendations based upon information produced in the EIR process.
- (b) In connection with the John Swett School in Western Addition Area A-2, the Mayor's office has made available \$2.3 million of the City's \$30 million allocation of funds under the Public Works Capital Development and Employment Act



REPORT OF THE EXECUTIVE DIRECTOR (continued)

for the community facilities portion of the building. After discussion with the Board of Education it was determined that since this was insufficient funding to build both the school facilities the decision was made to go forward with only the community facilities building. Permission will be requested soon to negotiate a contract with the architect to modify the already completed plans for the joint facility. Discussions will commence with the Mayor's Office for developing a Joint Exercise of Powers Agreement to construct the community facilities building and convey it to the City.

- (c) Mr. Kernan indicated that he wished to read a statement on relocation activities in regard to the International Hotel, which is attached in full to these minutes. Mr. Kernan noted that the rehousing process began many weeks before eviction of the tenants from the hotel and continues at the present time. He indicated that the Central Relocation Service staff is meeting now with the tenants to explain the benefits available to them. It appears that more than 30 of the 40 hotel residents have found new quarters temporarily in one nearby hotel. Despite published opinions to the contrary, Mr. Kernan indicated that free emergency shelter was available to the tenants from the time of their eviction and is still available, and that other rehousing benefits ranging from food and furniture to rental assistance also remains available. He indicated that not one tenant was thrown out in the streets but that it appeared the tenants' representatives preferred to deal with the tenants rehousing themselves.

Mr. Kernan commented on the efforts made to apprise the tenants of the availability of relocation resources and benefits, both by distribution of informational packets and by media. Mr. Kernan indicated that direct access to the tenants was denied. He indicated that the office was open all weekend to provide service to any tenants in need of shelter.

Mr. Kernan also indicated that Acting Mayor John Molinari and two staff members of Senator Frank Church's office had met to discuss various aspects of the eviction, as well as other aspects of housing in San Francisco for the elderly and low-income Chinese and other matters.

NEW BUSINESS

- (a) Resolution No. 161-77 approving sale of Parcel E-2 to Fred Napetschnig, Manfred Zojer, and Felix Petutschnig and the minimum disposition price; ratifying and confirming publication of notice of public hearing; authorizing execution of agreement for disposition and other conveyance instruments in connection therewith, India Basin Industrial Park Approved Redevelopment Project Area.

This item was the subject of the public hearing just held and concerns disposition of Parcel E-2 in India Basin Industrial Park, consisting of 52,880 square feet, for \$118,984 to Fred Napetschnig, Felix Petutschnig, and Manfred Zojer of Austria. These developers propose to construct a 23,000 square-foot concrete tilt-up structure to be occupied by two businesses employing 40 people, the Pacific Western Engineering and the California International Trading Company, Inc., manufacturers of electronic equipment and exporters of American goods.

Ms. Blomquist inquired how the Austrian firm had heard of India Basin, and Mr. Richard Marshall, Business Development Specialist, replied that it was through the real estate firm of Arthur Rubloff and Company of California which is working





NEW BUSINESS (continued)

in the area with the Agency. President Wexler inquired about the scheduled time of completion, and Mr. Marshall indicated that it would take about six months and that the developers will commence construction after obtaining a building permit which takes about six to eight weeks, or about September 15, 1977. In response to President Wexler's inquiry, Mr. Marshall indicated that the developers already have their financing secured.

ADOPTION: It was moved by Ms. Blomquist, seconded by Mr. Glickman, and unanimously carried that this resolution be adopted.

- (b) Resolution No. 168-77 approving the assignment of all rights, title, and interest to disposition agreement with Norman Coliver, trustee et al, to Morgan Equipment Company, a corporation; and authorizing the Executive Director to execute the necessary documents, India Basin Industrial Park Approved Redevelopment Project Parcel A-3, formerly 3, 4, 5, and 67X.

This concerns assignment of right, title, and interest to the disposition agreement for development of Parcel A-3 in India Basin from Norman Coliver, trustee for the children of Harold Morgan, to Morgan Equipment Company. No consideration will be paid for this transfer and Morgan Equipment Company will assume all obligations under the disposition agreement and carry out development as originally proposed for the 4.578-acre parcel of the International headquarters of the company.

ADOPTION: It was moved by Mr. Kaplan, seconded by Mr. Lee, and unanimously carried that this resolution be adopted.

- (c) Resolution No. 163-77 approving and authorizing the Executive Director to enter into a lease agreement with Harry E. Rahlman and Craig Schwarz of 1695 Jerrold Avenue, San Francisco, to lease a warehouse located at 1124 Quesada Avenue, San Francisco, for the Hunters Point/India Basin Approved Redevelopment Project Areas.

This concerns a two-year lease of a 50 x 100 foot warehouse for staff use for storage of equipment and supplies in India Basin at 1124 Quesada Avenue at \$500 per month for one year and \$525 per month for the second year.

ADOPTION: It was moved by Mr. Lee, seconded by Mr. Kaplan, and unanimously carried that this resolution be adopted.

- (d) Consideration of selection of landscape architect for landscaping consultant services for Hunters Point/India Basin Approved Redevelopment Project Areas.

This item concerns negotiation of a contract for landscape architectural services for Hunters Point and India Basin for preparation of plans, specifications, consultation, field inspections, construction supervision, and review of project aspects pertaining to landscaping. Seven firms were solicited and five responded and were interviewed. The three firms selected for the Commissioners' consideration were Melvin H. Lee Associates, Berridge Associates, Inc., and David Mayes. Both staff and the Bayview-Hunters Point Joint Housing Committee (JHC) recommend selection of the firm of Melvin H. Lee Associates for negotiation of a contract. President Wexler inquired if representatives of



NEW BUSINESS (continued)

the three firms were present, and Mr. Earl Mills, Area Director for Hunters Point and India Basin, indicated Mr. Don Gibson of Berridge Associates, Inc. and Mr. David Mayes were present. It was indicated that Mr. Lee had left the room for a brief period.

Mr. Glickman inquired on what basis the recommendation was made, and Mr. Mills responded that the JHC was apprised that there was a need for landscape consultant services and they were invited to appoint a committee to meet with the staff to discuss this need and attend the consultant interviews. A premeeting was arranged but only one representative was able to attend. There was also a second meeting and four members of the JHC attended, but on the day of the interviews no one was able to attend. The firms also attended the JHC board meeting to make presentations. Mr. Mills indicated that the recommendation of the firm of Melvin H. Lee Associates was based on the greater depth it afforded in terms of experience and ability to respond. Mr. Mills indicated that the Agency needed a contractor available to make decisions while construction is going on. He noted that while the other firms were well qualified, staff believes that the Lee firm was the best qualified for this work. Mr. Claude Carpenter came forward and indicated that the basis for selection was on Mr. Mills's recommendation.

Mr. Glickman inquired about the amount of money to be spent on this contract, and Mr. Mills indicated it was approximately \$35,000.

**MOTION:** It was moved by Ms. Blomquist, seconded by Mr. Lee, and unanimously carried that the firm of Melvin H. Lee Associates be selected for the landscaping architectural consultant services in Hunters Point/India Basin Approved Redevelopment Project Areas.

- (e) Consideration of selection of architect for design of park in Hunters Point Approved Redevelopment Project Area.

This concerns selection of a consultant for landscape architectural services to landscape a three-quarter-acre park and playfield in Hunters Point. Of seven firms which were solicited, five responded and were interviewed and the three firms recommended by staff and the JHC are Edward C. Barker and Associates-Kobata Associates, as a joint venture; Berridge Associates; and Melvin H. Lee Associates. Ms. Blomquist and Mr. Kaplan indicated concern about contracting for such services with a firm from Los Angeles. Mr. Kernan responded that the Barker firm provided for minority participation which was desirable in Hunters Point and that Mr. Barker was opening an office in Oakland to service this contract. Mr. Mills indicated also that Mr. Barker had made it clear that his firm would not charge the Agency for any travel costs.

In response to Mr. Glickman's question, Mr. Mills indicated that the contract was approximately \$25,000. Ms. Blomquist inquired if there was not a Northern California firm that could perform these services and Mr. Kernan indicated that the staff wished to involve a minority firm in this work and that the proposed joint venture permitted black participation. Mr. Mills indicated that the community had urged staff to provide an opportunity for participation of minority firms. It was his opinion that the Barker firm had the capability to do the work but that he had apprised the JHC of the Agency's policy to use local firms whenever possible. He indicated that this particular work did not require the daily presence of a consultant and he believed that the firm would be able to respond adequately for this type of work. He also noted that a local office was



NEW BUSINESS (continued)

being opened to service the contract. Mr. Glickman inquired about the minority ownership in the Barker firm and Mr. Mills responded that it was a 50-50 joint venture. Mr. Mills also indicated that the firm is interested in other work in the Northern California area, especially in connection with the City's sewage project. Mr. Lee inquired if any local landscape architects fit the desired qualifications and Mr. Mills responded negatively.

Mr. Donald Gibson of Berridge Associates came forward and indicated that his firm was a San Francisco-based firm and that it had performed work for the Agency in Western Addition Area A-2 on five miniparks. He commented on the proposal to contract with an architect for landscape architectural services. Mr. Mills indicated that he did not believe there was a significant need for an architect but that there needed to be a correlation of the housing and the playfield.

Mr. Edward Barker of Edward C. Barker and Associates came forward and in response to President Wexler's inquiry indicated that his role was primarily one of relating the landscaping to the existing architecture of the area. He indicated that the joint venture had established an office in Oakland and intended to expand its services in the Bay Area. Mr. Kaplan inquired how many minority people were involved, and Mr. Barker indicated that the firm's staff of five was minority.

President Wexler inquired if there were any representatives from the Joint Housing Committee who wished to comment. Mrs. Elouise Westbrook came forward and indicated that the JHC preferred use of a local firm and that selection should be made on the basis of what the firms can do. She commented on the aspect of using an architect for the services and noted that such discussion should be brought to the JHC during the interviews. She urged approval of the firm.

Mr. Melvin H. Lee of Melvin H. Lee Associates came forward and indicated he was available for questions and noted that his firm had been working in the area for five years.

Mr. Roger Kobata of Kobata Associates came forward and indicated he had joined Edward C. Barker and Associates in this joint venture and had done work in the landscaping field throughout California and the seven Western states. He noted that he had experienced no problems relating to project goals, or the quality of his work even when he was working in other areas and that he had been invited to bid on this contract. He noted that originally he had worked in San Francisco but had moved back to Los Angeles. He indicated that the work would be done out in the joint venture's local office and that his current work included eight parks for the California Regional Park Service. President Wexler commented that all of the firms appeared to be well qualified to carry out the work.

MOTION: It was moved by Mr. Glickman and seconded by Mr. Lee that the staff be authorized to negotiate a contract with the Edward C. Barker and Associates-Kobata Associates, as a joint venture firm, for the landscape design of the park in the Hunters Point Approved Redevelopment Project Area, and on roll call the following voted "Aye":

Mr. Glickman  
Mr. Lee  
Mr. Wexler



NEW BUSINESS (continued)

and the following voted "Nay":

Ms. Blomquist  
Mr. Kaplan

and the following abstained:

None

The President thereupon declared that the motion carried.

President Wexler noted that the vote had carried in deference to the recommendation of the JHC and the staff. Ms. Blomquist suggested that Northern California firms be solicited for future contracts.

- (f) Resolution No. 166-77 authorizing transfer and conveyance of Parcel H-6, Diamond Heights Approved Redevelopment Project Area B-1.

This was the subject of the public hearing and represents a transfer of interest in Phase II development of a portion of Parcel H-6 in the Diamond Heights Redevelopment Project, from Ring Brothers-Diamond Heights Company to the Live Oak Development, Ltd., a limited partnership whose partners are Messrs. James F. Overstreet, James W. Sievers, Christopher J. Treble, and David A. Welisch. Live Oak Development, Ltd. will purchase the parcel for \$702,187, which represents the pro rata land cost of \$198,000 for Phase II, plus additional development costs of \$504,187. The major portion of these additional costs is for site stabilization and landslide correction work in the amount of \$401,600, and the balance of \$102,587 represents property taxes, architect and engineer's fees, building permit and other appropriate developmental costs. Mr. Kernan indicated these figures had been certified by certified public accountants and do not represent a profit for Ring Brothers. Live Oak Development, Ltd. will complete Phase II as proposed by Ring Brothers by construction of 35 three-bedroom townhouses with a projected minimum sales price for these condominiums of \$119,000. Construction can begin upon issuance of a building permit since Live Oak has received a construction loan commitment from its bank.

Messrs. Kaplan and Glickman inquired about the original purchase price paid by Ring Brothers in 1974, and Mr. Kernan responded that the \$198,000 represented the original purchase price for this portion of the parcel. Mr. Glickman inquired if the proposal conformed to the antispeculation requirements and Mr. Quintin McMahon, Director of Real Estate, Marketing, and Business Development, answered affirmatively noting that Ring Brothers would only get out of the transaction what the firm had invested in it. In response to Mr. Glickman's question, Mr. McMahon indicated that Messrs. James F. Overstreet, James W. Sievers, Christopher J. Treble, and David A. Welisch were the principals of Live Oak Development, Inc. Mr. Overstreet was present, and Mr. Glickman inquired if he had any connection with Ring Brothers. Mr. Overstreet responded that he had previously been employed by Ring Brothers but had left the firm last year.

President Wexler inquired if there was any further information that would cause any concern, and Mr. McMahon responded that everything was done according to the Department of Housing and Urban Development (HUD) requirements and the redeveloper's statement was satisfactory and he had the financial capacity to complete







NEW BUSINESS (continued)

the project. President Wexler noted that the transfer was entirely within the developer's right under the disposition agreement and Agency General Counsel Leo E. Borregard concurred. President Wexler inquired if the Diamond Heights Neighborhood Association had approved the transfer, and Mr. Kernan responded affirmatively.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted.

- (g) Resolution No. 164-77 awarding Demolition and Site Clearance Contract No. 46, Yerba Buena Center Approved Redevelopment Project Area, to Thomas D. Eychner.

This represents award of Demolition and Site Clearance Contract No. 46 in Yerba Buena Center to the Thomas D. Eychner Company, the lowest of three bidders, for \$8,920 to demolish a vacant structure formerly used as the Agency's site office. The site is to be cleared to permit construction of low-income and senior citizen housing by TODCO. In response to President Wexler's inquiry, Mr. Lindberg Low, Senior Engineer, indicated that the engineer's estimate was \$12,000.

ADOPTION: It was moved by Ms. Blomquist, seconded by Mr. Kaplan, and unanimously carried that this resolution be adopted.

- (h) Resolution No. 157-77 authorizing the Executive Director to enter into a disposition agreement with the San Francisco Hearing and Speech Center, a nonprofit corporation, and execute necessary conveyance instruments; and ratifying and confirming publication of a notice of public hearing; all in connection with the sale of Parcel 1127-B, Western Addition Approved Redevelopment Project Area A-2.

This was the subject of the public hearing and concerns disposition of Parcel 1127-B to the San Francisco Speech and Hearing Center for \$29,300 for development of a 12,000-square-foot structure to house the programs of the Center. Mr. Kernan indicated that today the Center's affirmative Action plan has been approved by the Western Addition Project Area Committee (WAPAC) and preliminary plans are due on March 1, 1978 and financing by July 1, 1978. Construction is expected to start soon after that date.

ADOPTION: It was moved by Mr. Kaplan, seconded by Mr. Glickman, and unanimously carried that this resolution be adopted.

President Wexler commented on the excellent services provided by the San Francisco Speech and Hearing Center.

- (i) Resolution No. 167-77 authorizing the Executive Director to enter into a land disposition agreement with Golden Gate Apartments, Ltd., a limited partnership, for development of low-to-moderately priced private housing on Parcel 684-A, and to execute a deed for conveyance of said parcel; making certain findings and determinations in connection therewith, Western Addition Approved Redevelopment Project Area A-2.

This item was also the subject of a public hearing and concerns disposition of Moderate-Priced Private Housing Site 15, Parcel 684-A, in Western Addition A-2, to Golden Gate Apartments, Ltd. for \$36,000, or \$500 per unit. Mr. Kernan indicated that the original sponsor was Beale Eye Foundation and the new



NEW BUSINESS (continued)

sponsorship is composed of Paxton Beale; F. J. Grisnik, Inc., and the Gullege Corporation, operating through its mortgage entity, Golden Gate Apartments, Ltd. The new development has a firm commitment under Section 236 and will provide 72 new housing units for low- and moderate-income families in the Nihonmachi area, with rents ranging from \$148 monthly for a studio to \$280 monthly for a four-bedroom unit. One-third of the units will be subsidized for low-rental families.

Mr. Wade Woods came forward and indicated his opinion that the use of the land should be changed to commercial development in order to tie the Japanese Cultural and Trade Center in with the commercial uses of the Victorian Square and the Fillmore Center. Ms. Blomquist inquired if Mr. Woods had a site where this housing development could go and he responded that he did not know of any particular area.

Mrs. Mary Rogers of WAPAC came forward and indicated that she wished to see the project move forward since it was the last of the Section 236 housing projects to be built in Western Addition A-2 and that she did not know of any alternate site for the 72 units. In response to President Wexler's inquiry, Mrs. Rogers indicated that there could be a possibility of losing HUD's authorization of the housing if it were moved to another site. She indicated she understood what Mr. Woods was suggesting and that the plans were programmed in 1969 and consideration of the commercial uses should have been considered prior to the establishment of Victorian Square.

President Wexler inquired if there were any renderings illustrating the project, and Mr. Edward Gee, with Frank L. Hope and Associates, came forward and presented sketches of the development. Ms. Blomquist asked about the time schedule, and Mr. Gee indicated that construction could commence in about two weeks. Mr. Don Burkholder, Acting Chief of Architecture, indicated that the project had been approved sometime ago, and that Mr. Gee had handled the mass of the building by breaking it down into recessed planes and balconies. President Wexler inquired about the use of stucco for the facade and Mr. Burkholder indicated stucco had been approved for use and that the choice was an architecturally arbitrary decision between stucco and wood, since either could be appropriate. In response to President Wexler's further questioning, Mr. Burkholder indicated that he preferred the use of wood for large areas.

Mr. Arnold Townsend of WAPAC came forward and indicated that since there were already two stuccoed buildings across the street, he would like to have Mr. Beale's architect consider the use of wood. Mrs. Rogers concurred, indicating her understanding as the result of a recent meeting that the structure was to be of wood, not stucco. She noted that she did not want to do anything that would delay construction of the housing.

MOTION: It was moved by Mr. Kaplan and seconded by Mr. Lee that this resolution be adopted.

President Wexler also expressed concern about the appearance of the development, noting that although it was important to have more housing the design should tie in with surrounding buildings.



NEW BUSINESS (continued)

Mr. Beale came forward and indicated the possibility of using wood instead of stucco. Mr. Gene Suttle, Area Director for Western Addition A-2, indicated that at a meeting with WAPAC representatives, Mr. Beale had indicated that he would have his new partners consider use of wood. It appears that the use of stucco would reduce maintenance costs and thus permit rentals to be lower, although initially using wood would reduce costs approximately \$30,000. He indicated that the new partners had indicated to him that they would upgrade the project. President Wexler commented that he believed the Commissioners were in a position where they needed to grant approval without delay and suggested that this approval could be made subject to further approval after the questions on the exterior finish have been resolved. Mr. Gee indicated that the question of exterior finish had been fully considered and that his firm had designed structures using both wood and stucco finish. He believed that the effect will depend upon the planes of the building and the way different surfaces are treated. Mr. Gee indicated he personally preferred using wood to an exterior finish.

At this point, Mr. Lee left the meeting at 5:35 p.m.

Mr. Beale indicated that he did not believe his new partners would object to the use of wood, and he wished to work with WAPAC in resolving the matter. He expressed concern that there was a time factor, and he did not wish to slow down the development by awaiting final approval at a later date. Mr. Glickman indicated that it was a question of aesthetics and of keeping the rentals low, as well as of satisfying the concerns of the community. Mr. Townsend and Mrs. Rogers were concerned that WAPAC had understood the exterior material would be wood and again expressed concern that they had not been apprised of any changes in material. They also indicated their concern that if there was a change in the final design it could create delay and be a problem with HUD. Mr. Suttle indicated that he believed the issue could be resolved with all parties to their satisfaction. Both Mr. Townsend and Mrs. Rogers indicated their desire to see wood used instead of stucco. President Wexler inquired if Mr. Beale would commit himself to working out an acceptable solution on the building's exterior with staff and WAPAC, and he answered affirmatively. Mrs. Rogers recommended the approval of the project on this basis. The Commissioners then voted on the motion.

ADOPTION: It was moved by Mr. Kaplan, seconded by Mr. Lee, and unanimously carried that this resolution be adopted.

- (j) Resolution No. 165-77 granting to Winfred O. Cook an exclusive right to negotiate for the purchase, subsequent to rehabilitation by the Agency, of 1955-59 Sutter Street in the Western Addition Approved Redevelopment Project Area A-2.

This concerns the granting of exclusive negotiating rights to Winfred O. Cook to purchase an Agency rehabilitated building in Victorian Square for \$95,000. Mr. Cook will use the building for a beauty shop, and he has submitted a five percent deposit of \$4,775. He has the financial capacity to purchase the building.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted.

- (k) Resolution No. 170-77 rejecting bids received for Site Improvement Contract No. 24, Western Addition Approved Redevelopment Project Area A-2.



W BUSINESS (continued)

- (l) Resolution No. 171-77 authorizing the execution of a letter of agreement with the Pacific Gas and Electric Company, providing for utility undergrounding in the Western Addition Approved Redevelopment Project Area A-2.

Mr. Kernan requested and received permission to consider both these items together. The first item represents the rejection of the sole bid received from W. R. Thomason, Inc. for Site Improvement Contract No. 24 in the Western Addition which was to provide ducts and substructures in connection with undergrounding of utilities. Staff believes a better bid can be received by including work in Site Improvement Contract No. 25, which will be advertised on August 12, 1977. The second item concerns execution of the letter of agreement authorizing payment of \$175,842 to the Pacific Gas and Electric Company to install the Agency's portion of the electrical equipment and cables in the structures to be constructed in conjunction with Site Improvement Contract No. 25.

Mr. Townsend came forward and indicated that it was his understanding that Mr. Thomason's bid was in order; however based upon the record of the affirmative action record of the firm at Hunters Point, it would not be acceptable in Western Addition A-2. Mr. Kernan indicated that this was a consideration in the staff's recommendation for rejection of the firm.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that these resolutions be adopted.

- (m) Consideration of authorization to advertise Demolition and Site Clearance Contract No. 69-A, Western Addition Approved Redevelopment Project Area A-2.

This concerns an advertisement for bids for Demolition and Site Clearance Contract No. 69-A in Western Addition to demolish six buildings, four of which are in the Nihonmachi area. Mr. Kernan indicated that because of the size and poor condition of the buildings, it was infeasible to either rehabilitate them or move them. He noted that developers were ready to proceed on the sites to be cleared. Mr. Suttle indicated that the site was designated for use as a scattered public housing site which could accommodate twenty large units with four to five bedrooms. Mrs. Rogers came forward and urged that the buildings be demolished, as recommended by the WAPAC Board. Mr. Townsend indicated he was under the impression that a moratorium on demolition was in existence and therefore no structures should be torn down, otherwise the moratorium was invalidated. Mr. Suttle read the portion of Resolution No. 114-77 which requires that the Agency reevaluate residential structures prior to undertaking demolition. He indicated that three buildings had already been moved as evidence of the Agency's intention to preserve buildings that are feasible.

President Wexler indicated that the Commissioners considered WAPAC's position in making their decisions.

MOTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that Demolition and Site Clearance Contract No. 69-A in Western Addition Approved Redevelopment Project Area A-2 be advertised.

- (n) Consideration of continuation of insurance premium for a six-months' period on Agency-owned buildings to be rehabilitated in Western Addition Approved Redevelopment Project Area A-2.







EW BUSINESS (continued)

This concerns an extension of insurance coverage on 45 vacant Agency-owned buildings designated for preservation for a period of six months with the Reserve Insurance Company at a premium cost of \$12,362. The previous six-months' period cost was \$9,607.

MOTION: It was moved by Mr. Kaplan, seconded by Mr. Glickman, and unanimously carried that the insurance premium on Agency-owned buildings to be rehabilitated in Western Addition Approved Redevelopment Project Area A-2 be extended for a six-months' period with Reserve Insurance Company.

In response to Mrs. Rogers inquiry as to when minority insurance brokers would have an opportunity to bid on insurance policies, Mrs. Jane P. Hale, Assistant Executive Director for Finance and Administration, indicated that this particular policy had been difficult to place but that there were minority brokers on the Agency's list who routinely received invitations to submit proposals. She also noted that one minority broker had been given fourteen policies on buildings in Western Addition A-2. Mrs. Hale indicated that it is the Agency's policy to rebid insurance policies annually but not every six months. In this instance, the Agency was informed that the company issued the policy to the Agency under probation for six months, and this action only completed the coverage for the full year. When the policies come due they will again be put out to bid.

- (c) Resolution No. 169-77 authorizing the Executive Director to execute a contract with the City and County of San Francisco for creation of positions under Title VI of the Comprehensive Employment and Training Act of 1973 (CETA).

This represents a contract with the City which provides for hiring eight persons under the Comprehensive Employment and Training Act (CETA) Title VI for three one-year projects to assist in (1) the survey and planning of the Northeast Waterfront, (2) conversion of paper records to microfilm, and (3) a review and analysis of the relocation workload and procedures. CETA funds of approximately \$100,000 for the twelve-months' period will be made available and the Agency's cost would be approximately \$25,000 needed to cover the salaries and prorated fringe benefits above the \$10,000 CETA salary limit. The Agency will reimburse the City for any retirement system contributions made for an employee not hired into a permanent Agency position by the end of the twelve-months' period.

Mr. Garrett Jackson of the Civil Service Association of Local 400 came forward and asked that this item be postponed because the union was not notified of the proposed action, and also the union did not know what positions were represented.

At this point, Mr. Lee returned to the meeting at 5:55 p.m.

Mr. James Nybakken, Personnel Officer, came forward and indicated that the efforts to secure these positions had been underway for some time, and the CETA authorizations had been delayed. Approval of the contract was now necessary immediately, otherwise the funds would be lost. In response to President Wexler's inquiry, Mr. Nybakken indicated that no notification had been given to the union. Mr. Kernan indicated that although CETA positions were not within the union's purview, it was an oversight that staff had not met with the union. Mr. Jackson indicated he wished to know the effect of these positions on the bargaining unit.



NEW BUSINESS (continued)

At this point, Mr. Kaplan left the meeting at 5:56 p.m.

Ms. Blomquist inquired if these positions represented an increase over last year's positions, and Mr. Nybakken responded that these were new positions, of which six were within the bargaining unit.

Ms. Shirley Wysinger came forward and indicated her concern that the CETA employees place the Agency's employees in a precarious position since they could potentially replace regular employees. She stressed her belief that the union should have been informed before the matter was brought to the Commissioners and asked that there be better communication. Mr. Nybakken indicated that not contacting the union was an oversight but the matter now requires that an immediate decision be made. He noted that the staff had been given only seven days to complete contract arrangements. Mr. Jackson indicated his concern about who had been laid off from the Agency and indicated that he did not want to see this happen again.

President Wexler indicated that there had been an oversight in not discussing the matter with the union but that the immediate issue of the contract must be dealt with. Mr. Kernan indicated that these CETA positions were specifically structured in such a way as to not displace regular employees. Mr. Nybakken also indicated that concerns regarding lay-offs resulting from employment of these persons could be allayed and again stressed the need for an immediate decision.

Mrs. Westbrook came forward and indicated that her understanding was the CETA positions were to be filled by people who were to become permanent employees. She expressed concern about the affirmative action used in filling CETA positions and inquired from what source CETA people were drawn. In response to Mrs. Westbrook's inquiry, Mr. Nybakken responded that no one has been selected to date, but recruiting would commence when there was a contract. He indicated that the positions have to be filled in accordance with CETA's requirements which make the positions difficult to fill.

Mr. Townsend indicated that the Agency had cut WAPAC's budget back by \$50,000, which was more than one-third of the money required and which necessitated dropping eleven of its employees. He expressed the belief that work was running out and questioned why the Agency was now considering hiring eight new positions. He inquired why individuals could not be transferred from Western Addition A-2 to work in positions such as the Northeast Waterfront project. Mrs. Hale noted that both WAPAC and the funds for regular Agency employees come from a different source than the CETA monies and that such employees cannot be transferred to the CETA program. She stressed that all CETA employees have to meet the program's criteria for selection. Both Mr. Jackson and Ms. Wysinger requested that the item be postponed.

Mr. Lee indicated that the suggestion of shifting employees from WAPAC and the Agency was also precluded because it was his understanding that the positions to be filled under CETA required people who were specialists with particular expertise. Mrs. Rogers indicated her understanding of that but indicated the shifts would not have to be to those particular jobs. She believed people who needed jobs should be reached.



NEW BUSINESS (continued)

Ms. Blomquist indicated that these CETA positions should be saved and urged that in the future there be communication with the union and that unemployed people in San Francisco be given these particular jobs.

ADOPTION: It was moved by Ms. Blomquist, seconded by Mr. Lee, and unanimously carried that this resolution be adopted.

- (p) Resolution No. 162-77 travel authorization for Wilbur W. Hamilton, Executive Director.

This represents authorization for travel for Wilbur W. Hamilton, Executive Director, to travel to Boston, Massachusetts to attend a National Association of Housing and Redevelopment Officials (NAHRO) workshop on August 28 to 31, 1977. The workshop is aimed at building and enhancing a community's capacity using community development funds to improve its ability to create and respond to industrial, commercial, and mixed-use development opportunities and leveraging these funds with private financing. Cost of registration is \$105 plus approximately \$450 for air fare and incidental expenses.

ADOPTION: It was moved by Ms. Blomquist, seconded by Mr. Glickman, and unanimously carried that this resolution be adopted.

MATTERS NOT APPEARING ON AGENDA

- (a) Consideration of cooperative housing in Hunters Point.

Mr. Kernan indicated that the issue of cooperative housing in Hunters Point would come before the Commissioners for their consideration and that staff was currently working out the scope of a contract for services for implementing such housing on Sites D and E. Mr. Kernan indicated this would be ready by the next meeting.

Ms. Blomquist indicated her understanding that persons from the community wished to comment on this matter.

Mr. Claude Carpenter came forward and indicated his concern that funding deadlines would not be met and also that the National Housing Partnership (NHP) may not go along with construction of cooperatively-owned housing. He indicated that the community supported contracting with the New York Construction (NYC) for consultation on this type of housing and urged approval because co-op housing was needed as soon as possible.

Mrs. Bertha Freeman of the Bayview-Hunters Point Credit Union came forward and urged the Commissioners to act because there was a deadline which could not be met on August 31, 1977 if the matter was not immediately approved. President Wexler indicated his understanding that the deadline for the housing program funding was September 30, 1977, but Mrs. Freeman indicated she had called the General National Mortgage Association (GNMA) and was informed the deadline was August 31, 1977. Mr. Earl Mills indicated that Mr. Michael Hayes of HUD had definitely informed him it was September 30, 1977, however, he still believed that it was of the utmost urgency that the work proceed. He indicated staff was working out the agreement and stressed that it was the Agency's policy that co-op housing was essential for Sites D and E.



MATTERS NOT APPEARING ON AGENDA (continued)

Ms. Blomquist expressed concern about having adequate time to hire a consultant and if the National Housing Partnership will not build the co-op housing, then of finding another developer. Mr. Mills indicated that the NHP master agreement for Phase II requires that NHP must construct 200 units for home ownership, plus 400 units subsidized under Section 8. President Wexler inquired if there would be a recommendation by next week, and Mr. Mills answered affirmatively. He also noted that the NHP has been reluctant to go ahead but has not refused to do so. Mrs. Freeman indicated that there were only 94 homes owned by people in the community, and she expressed concern about being assured that NHP would not build the co-op housing. Mr. Kernan indicated that the community and staff were in agreement on the intent to build 200 units of co-op housing. President Wexler reaffirmed this policy and indicated that the Commissioners would consider the matter at its next meeting. He indicated that it appeared the agreement with the developer required that the co-op housing go forward. Ms. Blomquist indicated that the community was concerned when the housing would go forward, and President Wexler indicated that the matter would be on next week's agenda. Mrs. Freeman again expressed concern that there was insufficient time to obtain funding if the matter was not immediately acted upon. Mr. Mills indicated he would provide a written statement from Mr. Hayes that the deadline was September 30, 1977. President Wexler indicated that the Commissioners were not in a position to act today, since staff evaluation was incomplete. Mr. Mills indicated that some problems remained before staff could recommend that the Commissioners consider the matter.

ADJOURNMENT

It was moved by Mr. Glickman, seconded by Mr. Lee, and unanimously carried that the meeting be adjourned. The meeting adjourned at 6:30 p.m.

Respectfully submitted,

*Helen L. Sause*

Helen L. Sause  
Secretary





MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
16TH DAY OF AUGUST 1977

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 16th day of August 1977, the place, hour, and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Howard M. Wexler, President  
Dian Blomquist  
Rubin Glickman  
Melvin D. Lee  
Walter F. Kaplan  
Dr. Hannibal A. Williams

and the following was absent:

Joan-Marie Shelley, Vice President

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Arnold Townsend, Mary Rogers, and Ed Crocker, Western Addition Project Area Committee (WAPAC); Edward J. Gee, Frank L. Hope and Associates; Bertha Freeman, Bayview-Hunters Point Credit Union; Teall Henderson, San Francisco Coalition; Patrick O'Connor and George Rescalvo, Rescalvo/O'Connor; James Babcock, Sandy and Babcock; Roslyn Baltimore and Alvin Bonnett, Community Housing Association; Bonnie Beasley, Claude Carpenter, and Oscar James, Bayview-Hunters Point Joint Housing Committee; Lavolia Baker, Baker Insurance; and Martha Senger, Hadie Redd, and Howard Schumann, interested citizens.

President Wexler welcomed Mr. Hamilton back from his vacation.

#### APPROVAL OF MINUTES

It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that the minutes of the Regular Meeting of August 9, 1977, as distributed by mail to the Commissioners, be approved.

#### SPECIAL APPEARANCES

- (a) Public hearing to hear all persons interested in the matter of the proposed transfer and conveyance of Parcel 719-A, Western Addition Approved Redevelopment Project Area A-2.

President Wexler opened the public hearing to hear all persons interested in the matter of the proposed transfer and conveyance of Parcel 719-A, Western Addition Approved Redevelopment Project Area A-2. There being no persons wishing to appear in connection with the matter, the President declared the public hearing closed.



REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) A ruling made by the State Attorney General with respect to taxing formulas applied to subsidized housing developments would have seriously adverse effects on the rental rates. Mr. Hamilton indicated that Mr. Redmond Kernan, Deputy Executive Director for Planning and Development, and Mrs. Lee Cayton, Housing Management Supervisor, appeared before the Tax Board to present an appeal that the Board's ruling on assessed values be reversed. Because of Mrs. Cayton's good work, a number of speakers carried the same message and the Tax Board decided to rescind the ruling and the adverse tax formula will not be applied.
- (b) The firm of Curtis and Associates, which was awarded the contract for replanning of the Fillmore Center, is holding a town hall-type forum in order to get public input on the Fillmore Center plan. This meeting will be held tomorrow evening, August 17, 1977, at 7:30 p.m. at the Podiatry College located at Eddy and Pierce Streets. Mr. Hamilton indicated that this was an extremely important session because Curtin and Associates will be seeking direction from Western Addition residents concerning the future of the Fillmore area.
- (c) On Sunday, August 14, 1977, a dedication was held for the Little Zion Baptist Church which is the fourth church to be completed in the Western Addition. The groundbreaking for this construction project was held only eight months ago. The church contains a sanctuary which has a seating capacity of 350 persons, and the construction budget was \$203,000.
- (d) On Friday, August 12, 1977, Agency staff participated with the sponsors, potential tenants, WAPAC, and the community in the opening of the 52-unit Laurel Gardens on Turk between Steiner and Pierce Streets. Rents will be \$185 for a one-bedroom, \$230 for a two-bedroom, and \$269 for a three-bedroom unit. Construction on this Section 236 project commenced eight months ago.
- (e) Discussion took place at the last meeting regarding execution of a contract for adding eight CETA personnel to work on specific tasks during the next year. The concerns expressed at that meeting by Civil Service Association Local 400 have been resolved through subsequent meetings. Mr. Hamilton indicated that the union would be apprised of any such matters in the future before bringing the items to the Commissioners.

REPORT OF KEY STAFF MEMBERS

- (a) Presentation of Hunters Point market-rate housing prototypes by Mr. Earl Mills, Area Director for Hunters Point and India Basin Industrial Park projects.

Mr. Hamilton recalled that the Agency had employed a consultant to plan housing prototypes for market-rate housing sites in Hunters Point. These plans are now available for the Commissioners' review. Mr. Hamilton requested Mr. Mills to comment on these prototypes.

Mr. Mills came forward and indicated that the Agency had contracted on April 26, 1977 with Sandy and Babcock for architectural studies to determine the optimum development for the market-rate housing sites in Phase I of Hunters Point. These studies are to serve as guidelines for the developers who



REPORT OF KEY STAFF MEMBERS (continued)

respond to the offering of these sites for market-rate development. Mr. Mills indicated the location of the fifty sites on the wall map of Hunters Point. These prototypes can be build within an acceptable range of costs and have been reviewed by the Bayview-Hunters Point Joint Housing Committee (JHC).

Mr. James Babcock of Sandy and Babcock came forward and indicated his firm had designed two types of units for the sites on Hudson and Keith Streets. These sites would permit construction of 32 units utilizing either a plan with 1,250 square feet or a larger unit of 1,350 square feet. The sites are typical of all the others in the area and these prototypes could be used on any of the other sites with only minor alterations in depth and width. The units would be townhouses with parking on the ground floor, which would permit each unit better access to the view. The large units are 32 feet wide and are on the end of the development. They also afford better exposure. Each unit has its own entrance, garage, yard, and balcony. The exterior finish is stucco and heavy wood trim around the windows, and composition roofs. Mr. Babcock indicated that the units were not placed in a straight row, but in a curved line so that different views were afforded. He recommended that variation could also be achieved through use of street trees. The contractor's preliminary estimate was approximately \$50,000 for the smaller unit, or \$25 per square foot in hard construction costs which do not include profit or land costs.

In looking at the renderings, President Wexler inquired if there would be sufficient light for the units, and Mr. Babcock answered affirmatively noting, however, that the structures had party walls so essentially light would come through the front and back windows. He noted that the width of the lots was 18 feet. He response to President Wexler's inquiry, Mr. Babcock indicated that the 1,250 square-foot unit was sufficient for three bedrooms, since he had designed many similar units which were very efficient with no wasted space.

Mr. Lee inquired if the \$25 per square foot was based on today's prices or on prices projected for the future, and Mr. Babcock replied that \$25 represented hard construction constns, excluding interest, profit, or land. He was un-- certain if these figures included an inflationary factor or not. Mr. Glickman indicated that such units could not be sold for \$50,000 even without land costs and still permit a developer to break even at current prices. Mr. Babcock indicated that cost estimates were based upon a contractor's estimate and that if more than one unit was built at the same time then greater economies could be realized. President Wexler inquired if the firm had had units built comparable to this design with a three-bedroom floor plan that could be inspected, and Mr. Babcock answered affirmatively, noting that there were three-bedroom units open for inspection on Clarendon Avenue. President Wexler asked if there were any two-bedroom units, and Mr. Babcock indicated that these were unmarketable and financing was more readily available for three-bedroom units. He indicated that the Clarendon units were slightly larger by 200 to 300 square feet since the lot size was 20 feet instead of 18 feet and that he had designed many 18-foot width units with three bedrooms. President Wexler thanked Mr. Babcock for his presentation.

Mr. Mills indicated that he was hopeful there would be a promising response to the offering which will occur in late October. In response to President Wexler's inquiry, Mr. Mills indicated that the Joint Housing Committee and the community had reviewed the plans and there were both some good and some bad reactions.



NEW BUSINESS (continued)

- (a) Resolution No. 172-77 ratifying publication of notice of public hearing for Parcel 719-A and authorizing execution of agreement for disposition of land for private redevelopment and other conveyance documents in accordance therewith, Western Addition Approved Redevelopment Project Area A-2.

This item was the subject of a public hearing and concerns disposition of Parcel 719-A at Ellis and Franklin Streets to Rescalvo/O'Connor for \$100,000. The developers will construct 38 rental units at an estimated construction cost of \$1,120,000. Submission of preliminary plans is anticipated by September 1, 1977 and evidence of financing by November 1, 1977. Construction will commence shortly thereafter. President Wexler requested that the Commissioners have an opportunity to review the plans, and Mr. Quintin McMahon, Director of Real Estate, Marketing, and Business Development, indicated that preliminary sketches were available and the developers were present to answer any questions. Mr. McMahon indicated that the developers had submitted the final preliminary plans to the architectural staff today for approval and already have their construction loan financing commitment and take-out commitment. Pending issuance of a building permit, they are ready to proceed. President Wexler inquired if WAPAC had reviewed the plans, and Mr. Gene Suttle, Area Director for Western Addition A-2, responded that this had been done on two occasions when the development proposal was being considered, and again at the time of the public hearing when the developers were designated. He indicated that the plans have not changed since these reviews.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted.

President Wexler indicated that he appreciated the expeditious manner in which the developers had moved.

- (b) Resolution No. 173-77 ratifying and approving action of the Executive Director in soliciting bids in connection with rehabilitation of Agency-owned structures on Lots 38 and 39, Block 684, Western Addition Approved Redevelopment Project Area A-2; awarding contracts to David Mischel and Leon Carlen on the basis of low bids received and authorizing execution thereof.

This item concerns contracts for rehabilitating two Agency-owned buildings in Victorian Square. Five bids were received for the building at 1740 Fillmore Street, with the high bid being \$200,561, and the low of \$127,000 from David Mischel, who will rehabilitate the structure consisting of two residential units, plus one floor of office and one floor of commercial space. There were three bidders for 1750 Fillmore Street, with a high bid of \$145,000 and the low bid from Leon Carlen of \$140,500 to rehabilitate two residential units, plus commercial space. Bids were received on a third structure, but the legal division is evaluating the bids received.

President Wexler inquired if Mr. Suttle or WAPAC representatives could provide insight as to why there were not more bids generated, and Mr. Suttle noted that more bidders were beginning to respond but because of the specialized type of rehabilitation work required for Victorian restoration, only a few contractors were capable of performing the work.





NEW BUSINESS (continued)

President Wexler also inquired if there were not other contractors doing similar work in Western Addition A-2, and why they did not participate in the bidding process. Mr. William McClure, Director of Rehabilitation, noted that staff had also been concerned about this and had made inquiries of various contractors, as well as having a staff member attend meetings of the contractors' association, to encourage more bidders. Mr. Suttle also indicated that all bids were extensively advertised. Mr. McClure indicated that some of the reasons given by the contractors for not bidding were that they either had other work or that the work was too difficult, and also that they had inadequate financing. In response to Mr. Lee's question, Mr. McClure indicated that ten percent was the percentage of retention on the contracts.

ADOPTION: It was moved by Ms. Blomquist, seconded by Mr. Kaplan, and unanimously carried that this resolution be adopted.

- (c) Consideration of authorization to negotiate a personal services contract for a housing consultant, Hunters Point Approved Redevelopment Project Area.

Mr. Hamilton indicated that for some time the Agency has been concerned about providing a balanced housing program in Hunters Point with a wide price range for people who may wish to reside in that area. He expressed the belief that a balanced program should include rental developments, market-rate units, and ownership opportunities through the use of cooperative sales housing. It is in connection with the latter type of housing that the staff and the Joint Housing Committee have interviewed three firms to provide the services necessary to implement co-op housing on Site D and E. These developments will be under construction early in 1978. The New York Construction Company (NYC) appears to be the firm best suited for this work because of its team approach utilizing the skills of a financing consultant, mortgage banker, attorney, and real estate broker. It was recommended that negotiations go forward with both NYC and with Servicing Properties, Inc. so that the Commissioners may have a basis for comparison of prices for the services involved. Mr. Hamilton indicated it was essential that negotiations begin immediately. Ms. Blomquist asked what the timetable was, and Mr. Mills responded that he believed a recommended agreement could be brought before the Commissioners within two weeks.

MOTION: It was moved by Mr. Kaplan, seconded by Dr. Williams, and unanimously carried that staff be authorized to negotiate a contract for housing consultant services concurrently with the New York Construction Company and Servicing Properties, Inc. for Hunters Point Approved Redevelopment Project Area.

- (d) Consideration of the annual audit of the Golden Gateway tax allocation bonds and annual audit of the Hunters Point South School bonds and Rehabilitation Loan Program funds.

Authorization is requested for award of a contract for the annual audit of the tax allocation bond funds for the Golden Gateway project, the Hunters Point project, and the Rehabilitation Loan Program funds, in accordance with requirements for issuance of such financing. It is recommended that the firm of Ernst and Ernst be awarded the proposal for a total of \$2,800. The firm submitted the lowest proposal, is well qualified, and has previously performed work for the Agency.



NEW BUSINESS (continued)

MOTION: It was moved by Dr. Williams, seconded by Ms. Blomquist, and unanimously carried that the firm of Ernst and Ernst be selected to conduct the annual audit of tax allocation bond funds for the Golden Gateway project, the Hunters Point project, and the Rehabilitation Loan Program funds in Western Addition A-2.

- (e) Resolution No. 175-77 approving assignment of Demolition and Site Clearance Contract No. 19 from Caldwell Building Wreckers Company to Cleveland Wrecking Company, India Basin Industrial Park Approved Redevelopment Project Area.

Authorization is requested to assign Demolition and Site Clearance Contract No. 19 which was awarded to the low bidder, Caldwell Wrecking Company, for \$3,420 to the next lowest bidder, Cleveland Wrecking Company. Mr. Leo E. Borregard, Agency General Counsel, indicated that the Caldwell firm had difficulty in obtaining insurance and therefore could not perform the work, but as a result of discussions with both firms, Caldwell has agreed to assign the contract to Cleveland Wrecking at the low bid price of \$3,420. Cleveland Wreckers will assume all the obligations and there is correspondence from both firms affirming this agreement. President Wexler inquired what position Mr. Borregard recommended the Agency take in regard to the bid bond put up by the Caldwell firm, and Mr. Borregard indicated his belief that the bid bond should be released since there is no change in price to the Agency. President Wexler noted that adoption of the resolution included approval of the assignment and return of the bid bond to Caldwell.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted.

- (f) Consideration of extended coverage insurance on Agency-owned buildings to be rehabilitated in the Yerba Buena Center Approved Redevelopment Project Area.

President Wexler indicated that at the request of staff this item would be held over one week.

- (g) Resolution No. 176-77 authorizing the issuance of a work order to the Mayor's Office for work related to Yerba Buena Center Approved Redevelopment Project Area.

This concerns authorization of a \$6,308 work order with the Mayor's Office to continue the services of an analyst who has been evaluating the economic and fiscal data for the Yerba Buena Center project from August 17, 1977 through November 30, 1977. This service is helpful in providing the Agency's consultants with information on the financial impacts of alternatives to be considered in the environmental review process.

ADOPTION: It was moved by Mr. Lee, seconded by Mr. Kaplan, and unanimously carried that this resolution be adopted.

- (h) Resolution No. 174-77 approving work order for building inspection services for the period from September 1977 to August 1978 for all redevelopment project areas.

This represents a work order with the Department of Public Works for inspectors to work with Agency staff in inspecting structures to be rehabilitated in all projects. The work order provides full-time services of a building inspector and also as-needed services of plumbing and electrical inspectors for \$45,000.



NEW BUSINESS (continued)

ADOPTION: It was moved by Dr. Williams, seconded by Mr. Kaplan, and unanimously carried that this resolution be adopted.

MATTERS NOT APPEARING ON AGENDA

(a) Housing Consultant, Hunters Point

Mr. Mills indicated that there was some concern among representatives from the Hunters Point community about the action taken by the Commissioners in connection with the consultant for the co-op housing units. President Wexler responded that the Commissioners had approved the recommendation of the Executive Director, and Mr. Hamilton reaffirmed his recommendation that staff concurrently negotiate with both the New York Construction Company and the Servicing Properties, Inc. and come back to the Commissioners with a recommendation for selection of the company most appropriate to provide these services.

Mr. Claude Carpenter of the Joint Housing Committee came forward and indicated it was his understanding that the JHC would have the opportunity to participate in this decision. Mr. Hamilton stressed that the JHC would continue to be involved in the selection process and the Commissioners' designation of the two firms was no reflection on New York Construction Company's qualifications to provide the services. The issue of price now must be addressed, as well as the scope of services. The dual designation is intended to permit determination of the fee and services that are most appropriate.

Mrs. Rogers came forward and inquired about the services available through the Central Relocation funds to help relocate distressed families, and President Wexler indicated this was a matter more appropriately taken up with staff. Mrs. Rogers indicated that the Central Relocation Services were under the Agency, and President Wexler replied that all relocation services in San Francisco are provided through the Agency. He suggested she speak with staff and if after that she believed there was a need to bring an issue before the Commissioners she could request in writing consideration of the specifics at an Agency meeting. Mr. Hamilton indicated that if Mrs. Rogers was referring to a special case he wished to know what it was in order to rectify the problem.

In response to an inquiry from Mrs. Bertha Freeman of the Bayview-Hunters Point Credit Union, Mr. Hamilton indicated that negotiations with the housing consultant firms would involve the community.

ADJOURNMENT

It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that the meeting be adjourned to an executive session. The meeting adjourned at 5 p.m.

Respectfully submitted,

*Helen L. Sause*

Helen L. Sause  
Secretary



MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
23RD DAY OF AUGUST 1977

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 23rd day of August 1977, the place, hour, and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Howard M. Wexler, President  
Joan-Marie Shelley, Vice President  
Dian Blomquist  
Rubin Glickman  
Melvin D. Lee  
Walter F. Kaplan

and the following was absent:

Dr. Hannibal A. Williams

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Arnold Townsend and Ed Crocker, Western Addition Project Area Committee (WAPAC); Teall Henderson, San Francisco Coalition; Brian Spear, Donna Tasaka, and Ellen Griffith, Coalition to Support Nihonmachi Tenants; and V. Tadao, interested citizen.

President Wexler welcomed Ms. Shelley back from her vacation.

APPROVAL OF MINUTES

It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that the minutes of the Regular Meeting of August 16, 1977, as distributed by mail to the Commissioners, be approved.

5. Ellen Griffith of the Coalition to Support Nihonmachi Tenants requested permission to speak. President Wexler indicated that the Coalition would be heard at the end of the agenda, if it had any new information to present.

SPECIAL APPEARANCES

- (a) Public hearing to hear all persons interested in the matter of the consideration of the proposal of the Redevelopment Agency of the City and County of San Francisco to consider an assignment of interest in the Embarcadero-Lower Market Approved Redevelopment Project Area E-1, being disposition Parcels R-II(b), R-III(a), and R-III(b), also known as Assessor's Blocks 167, 168, 169, 170, and 171, three parcels of land generally in the vicinity of Front, Jackson, Davis and Broadway.

President Wexler indicated this hearing would be cancelled and published for hearing at a later date. He inquired if anyone had attended the meeting to speak on this matter and no one came forward.





REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) At an appearance last week before the Planning and Development Committee of the Board of Supervisors, Messrs. Hamilton and James Wilson, Acting Deputy Executive Director for Community Services, presented a report concerning relocation procedures for the former residents of the International Hotel. The Committee indicated that relocation efforts were as complete as possible but because of other issues raised, the item was referred to the Board of Supervisors on Monday; Mr. Wilson again reported on the ongoing efforts to assist the tenants. Mr. Hamilton reported that these efforts included meetings with the tenants and their representatives. To date, 26 tenants have been contacted, two have declined assistance, and 15 remain to be interviewed.
- (b) Bids were opened in connection with Western Addition A-2 and Yerba Buena Center project loan notes and the successful bidder on both issues was the Bank of America. The Western Addition A-2 notes for \$16,585,000 was at 3.197 percent average interest, which replaced \$17,905,000 at 3.11 percent. For Yerba Buena Center's \$26,850,000 the interest rate was an average of 3.253, which replaced \$26,850,000 at 3.119 percent.

NEW BUSINESS

- (a) Consideration of extended coverage insurance on Agency-owned buildings in the Yerba Buena Center Approved Redevelopment Project Area.

This item seeks approval of a proposal from L. Baker General Insurance, a minority broker, for fire, vandalism, and extended coverage for three Agency-owned buildings valued at \$1,500,000. Two brokers responded to bid solicitation by the July 29 deadline, but these were not responsive to the Agency's request and subsequently the Baker proposal was received with the lowest annual premium of \$8,245 for full coverage, with a \$100 deductible, using the California Fair Plan. Mr. Kaplan inquired what the California Fair Plan represented, and Mrs. Jane Hale, Assistant Executive Director for Finance and Administration, came forward and indicated that it was a company or group of companies which were required to provide insurance coverage for buildings that have been refused coverage by other companies.

Ms. Blomquist commented that the insurance was substantially less expensive, and Mrs. Hale concurred. President Wexler inquired if the Agency had had any experience with this company in processing of claims, and Mrs. Hale replied negatively but noted that the California Fair Plan had provided other coverage for the Agency and that the California Insurance Commission carefully controlled such companies.

MOTION: It was moved by Mr. Kaplan, seconded by Mr. Lee, and unanimously carried that the extended coverage insurance on Agency-owned buildings to be rehabilitated in the Yerba Buena Center Approved Redevelopment Project Area be given to the firm of L. Baker General Insurance.

- (b) Resolution No. 178-77 authorizing execution of a contract for architectural services for John Swett Community Facility in the Western Addition Redevelopment Project Area A-2.



NEW BUSINESS (continued)

This item seeks authorization of a \$79,980 contract with Jenkins-Fleming, architects, to modify plans for the John Swett School-Community Facility to permit construction of the community facility only. This contract is subject to receipt of \$2.3 million in Public Works funds. Mr. Hamilton gave a brief history of the John Swett School commencing in 1964 when the school was approved as part of the Western Addition A-2 Official Redevelopment Plan. In 1972 moderate-priced private housing was completed adjacent to the school site and the character of the neighborhood began to change. In 1974 the Board of Education agreed to contract with an architect to prepare plans for the school and as a result of the needs of the increased population, a school-community facility concept began to evolve. In 1975 plans were completed but the Board of Education then had insufficient funds to build the school. In 1976 a Public Works Act was enacted by Congress and the Agency filed for more than \$5 million to construct the school and community facility, but the application was rejected. In 1977, \$30 million in Public Works monies was allocated to San Francisco, with \$2.3 allocated for construction of only the community facility. The Agency will construct the community facility under a joint powers agreement with the City and upon completion turn the facility over to the City for maintenance. Mr. Hamilton indicated that efforts are continuing to obtain funding for the school.

Ms. Blomquist inquired if Jenkins-Fleming were the original architects, and Mr. Hamilton answered affirmatively.

MOTION: It was moved by Mr. Kaplan that this resolution be adopted.

Mr. Glickman inquired what amount had been paid to the architects, and Mr. Gene Suttle, Area Director for Western Addition A-2, replied that \$240,000 was paid by the Board of Education for design of both facilities. The redesign was extensive and funds for this work were contingent upon receipt of the Public Works grant. President Wexler indicated his understanding that previously all contracts for architectural services were between Jenkins-Fleming and the Board of Education but this was the first time the Agency was involved. In response to his inquiry, Mr. Suttle noted that the change in contractual relationship was necessitated by the manner in which funds come to the Agency for the community facility.

ADOPTION: It was moved by Mr. Kaplan, seconded by Mr. Lee, and unanimously carried that this resolution be adopted.

- (c) Resolution No. 177-77 approving Change Order No. 16-3 Site Improvement Contract No. 16, Hunters Point NDP A-5.

This item represents a change order on Site Improvement Contract No. 16 in Hunters Point with O. C. Jones and Sons for an increase of \$25,034. These costs result from additional excavation and backfill work amounting to \$12,450 and installation of 13 wall drain sumps at a cost of \$12,584. Mr. Hamilton indicated that the original contract was for \$2,109,000. Mr. Lee inquired why the sump pumps were not included in the original contract, and Mr. Hamilton replied that at that time the contract was let, they were not a requirement; however, since that time it has been determined that they are a necessity. Mr. Lee suggested that it would have been advisable to have included these items as an alternate in the beginning. Mr. Frank Cannizzaro, Project Engineer, came forward and indicated that the need for the pumps had been brought to the attention of the Agency by the plumber during Site Improvement Contracts Nos.



NEW BUSINESS (continued)

14 and 15 in Sites A and B. The Agency had no prior knowledge of such requirements; therefore, the pumps were not included in Site Improvement Contract No. 16, but they have been included in Site Improvement Contract No. 17.

President Wexler inquired if in terms of additional excavation and backfill there was any failure on the part of the soils consultant to properly test soils to determine what was needed, and Mr. Cannizzaro replied that basically the process involved the consultant testing the soil and making an analysis of the subsurface formation. From these tests he determines where the hard and soft soils are in the layers beneath the level of the surface. Mr. Cannizzaro indicated it was difficult to determine the outcome because often in some areas the soft soil extends further than anticipated. At the start of excavation such varied layers are exposed. President Wexler asked if in Mr. Cannizzaro's opinion the soils consultant had performed his tests correctly, and he answered affirmatively, noting that the consultant had anticipated that there would be some excavation required and had specified it in the bid documents. The work is now to be performed at the bid unit prices for that type of work.

ADOPTION: It was moved by Mr. Lee, seconded by Mr. Kaplan, and unanimously carried that this resolution be adopted.

MATTERS NOT APPEARING ON AGENDA

- (a) Mr. Brian Spear, attorney representing the Coalition to Support the Nihonmachi Tenants, came forward and indicated he wished to make certain that the Commissioners were aware of certain facts concerning evictions at 1869 Buchanan and 1531 Sutter Street. President Wexler inquired what facts Mr. Spear was referring to, and Mr. Spear indicated that yesterday the Agency staff had called the Cal State Patrol and police to prevent access to the buildings by the tenants. He indicated that the doors had been broken and that locks and been replaced and guards had instructions as to who could be in the buildings. It was his assumption that the Agency's legal staff and Mr. Suttle had instructed the guards and had caused notices to be posted on the building, as well as each door throughout the building, regarding evictions.

Mr. Spear indicated that when his colleague, Mr. Randle Padgett, attorney, had asked Assistant Agency Counsel Richard Thomas his authority for posting the eviction notices, Mr. Thomas had indicated that he was acting on authority from discussions with Superior Court Judge Ira Brown after Mr. Padgett and himself had left the Court hearing. Mr. Spear indicated his desire to see the Court's order the Agency was using as its authority. It was Mr. Spear's contention that if trespassers remain in an apartment for a long enough time, they no longer are trespassers but are considered to be tenants. He wished to know why it was necessary to have them removed and also by whose order the guards and police were called to the site. He claimed that some of the personal effects of the tenants had been removed by Agency staff and that the Court had not given an order which permitted such removal. Mr. Spear indicated that while he was at 1869 Buchanan Street at 1:30 a.m. last night, he had talked to one of the tenants, Mr. Henry Lee, and Mr. Lee had compared the evictions to those of the Japanese who were interned in camps during World War II who were moved from one camp to another. He alleged that the persons living in the building were considered to be in "peaceable possession" of that property and could not be forceably removed through "self-help". It was his opinion that the Agency was one of the few cases where, as landlords, it wrote its own orders. He indicated that the tenants in both buildings were in "peaceable



MATTERS NOT APPEARING ON AGENDA (continued)

possession" since the statutes indicated that those persons having been there five days were considered tenants and were now being denied access and had their utilities cut off. Mr. Spear believed this was a violation of civil codes since their stay was more than a few months, which had not been contested. He claimed that the utilities had been paid for by the tenants and that this had created a tenancy. He urged that the Agency retract its actions because if this were not done the tenants would continue the fight whether there were security guards there or not. He asked that all personal property be returned that was taken from the tenants, including money and a camera.

President Wexler inquired of Mr. Spear who his clients were and who he was speaking for. Mr. Spear mentioned Mr. Henry Lee, who lives at 1869 Buchanan Street, and Mr. and Mrs. Ernest Marino, Frank Matsumura, A. Uesato, and Kay Hanatani who live at 1531 Sutter Street. President Wexler inquired if these people had asked Mr. Spear to be their attorney, and he replied that he had served in that capacity since February. He indicated that the others who were being displaced will also be represented by him. President Wexler asked if he were speaking of those tenants who moved in on their own over the past three months, and Mr. Spear indicated they were tenants and he would represent them. President Wexler inquired if Mr. Hamilton wished to respond.

Mr. Hamilton indicated that he disagreed totally with the legal facts as presented by Mr. Spear. The Agency had posted eviction notices to trespassers on the buildings at 1869 Buchanan and 1531 Sutter Streets and the police were only advised that the staff would be posting these buildings. Mr. Hamilton indicated that there had been at least six discussions with Mr. Lee about the possibility of a move and that the only reason the staff appeared on the scene with movers was because Mr. Lee indicated he intended to move. In anticipation of a Court appearance before Judge Brown, the staff wanted to be certain that the persons illegally occupying the buildings were on notice that they were trespassing and that the Agency was the owner and was requesting that the buildings be vacated. Mr. Hamilton requested Mr. Thomas to comment on the legal aspects.

Mr. Thomas indicated that Mr. Padgett had called him and indicated he was upset about the Agency actions and posting of security guards and asked what the Agency was attempting to accomplish. Mr. Thomas indicated he had then asked him who he was representing and Mr. Padgett declined to give any names. Mr. Thomas noted that the Court had permitted the Lee's to remain in 1869 Buchanan during an interim period until they were relocated. This applied also to 1531 Sutter where certain tenants were allowed to stay in apartments on the first and second floors. Mr. Thomas indicated that on August 25, 1977 the Agency will have to report to Judge Brown on what work was done on the buildings concerning repair of certain life safety hazards. The Agency has attempted to comply by the Court abatement orders issued by Judges John E. Benson and Ira Brown. The problem, however, is that people have broken into the buildings and illegally occupied them. In regard to the personal possessions of the tenants, Mr. Thomas indicated he had no knowledge of those items. President Wexler inquired if the Agency had any of the items, and Mr. Thomas replied that some items may have been sent to storage since it was unknown to whom they belonged and these could belong to the illegal tenants. President Wexler asked if anyone believed some of the items may be theirs who could be contacted, and Mr. Hamilton indicated that Mr. Wilson would have the inventory and could be contacted.





MATTERS NOT APPEARING ON AGENDA (continued)

Mr. Spear indicated that he had seen items moved out of the buildings. He alleged that the Agency had allowed the tenants to remain in the building long after it was known they were there and that the primary legal point is that the vacate order on the tenants was lifted by the Court and not stayed. He believed that there was no order to vacate those premises and in his opinion it was wrong to do so.

Ms. Donna Tasaka of the Coalition to Support the Nihonmachi Tenants came forward and in response to President Wexler's inquiry indicated she was the Coalition's spokesperson. She demanded that the Agency stop evictions and stop harassing the tenants. She alleged that the Agency brought the moving vans and security guards and had removed possessions of the tenants at 1869 Buchanan Street. She indicated that the Coalition would continue to fight any eviction efforts and she deplored the fact that no visitors were permitted into the buildings, claiming that the tenants were being held like prisoners in an armed camp as long as the security guards were there. Ms. Tasaka also indicated that the Agency had made an unacceptable attempt to relocate Mr. Lee to an apartment at \$295 per month, which she believed attested to the lack of low-rent accommodations. She indicated that the Agency had offered to pay a portion of the rent for six months but she was concerned about what would happen to the Lee's after that time. She demanded that all tenants be returned to the buildings and accused the Agency of attempting to divide the tenants and the Coalition but had only succeeded in making them more united. Ms. Tasaka also demanded that the tenants' possessions be returned and nothing further be removed. She indicated her belief that the Agency was responsible for this property and its return. She also believed that there was no valid eviction order and that the tenants should remain in "peaceful possession" of their rooms, otherwise the Agency would be faced with serious legal consequences and resistance from the Coalition. She indicated there was general interest and support for the Coalition.

Mr. Hamilton indicated that in response to the allegation that the Agency had not acted with proper legal authority, the Agency had followed legal procedure for dealing with trespassers occupying the Agency property. The Agency did not physically evict anyone but did gain entry to its property by securing the building and changing the locks previously changed by the illegal occupants.

DJOURNMENT

It was moved by Ms. Shelley, seconded by Ms. Blomquist, and unanimously carried that the meeting be adjourned to executive session. The meeting adjourned at 5:05 p.m.

Respectfully submitted,

*Helen L. Sause*

Helen L. Sause  
Secretary



MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
30TH DAY OF AUGUST 1977

SAN FRANCISCO  
PUBLIC LIBRARY

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 30th day of August 1977, the place, hour, and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Howard M. Wexler, President  
Joan-Marie Shelley, Vice President  
Dian Blomquist  
Rubin Glickman  
Melvin D. Lee  
Walter F. Kaplan  
Dr. Hannibal A. Williams

and the following were absent:

None

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Arnold Townsend, Wade Woods, Ed Crocker, and Gene Stancil, Western Addition Project Area Committee (WAPAC); Ruth Gravanis, Glen Park Association; Thomas H. Meeks, Diamond Heights Community Association; Yale H. Smulyan, Albert Baireuther, and Ingmar Baldwinson, BRB Homes; Hazen Pierce and Ed Carlson, New York Construction Company; Paul Goltz, Mutual Ownership Development Foundation; Roslyn Baltimore, Community Housing Association; Dave Garrison Construction; Bertha Freeman, Bayview-Hunters Point Credit Union; Claude Frank Whitfield, Bayview-Hunters Point Joint Housing Committee; Elouise Westbrook, Cati Hawkins, Charlie Walker, Yolanda Walker, and Melvin Henley, Bayview-Hunters Point Foundation; Allen Jordan, New Breed Community Development Corporation; Jerry Levitin; Emory Curtis, Curtis and Associates; Jonathan O. Smith and Sam Stuart, interested citizens.

Representing the press were Marshall Kilduff, San Francisco Chronicle; Ken Wong, San Francisco Examiner; and Dan Borsuk, San Francisco Progress.

President Wexler welcomed Dr. Williams back from his vacation.

APPROVAL OF MINUTES

It was moved by Ms. Blomquist, seconded by Ms. Shelley, and unanimously carried that the minutes of the Regular Meeting of August 23, 1977, as distributed by mail to the Commissioners, be approved.

SPECIAL APPEARANCES

- (a) Public hearing to hear all persons interested in the matter of the proposed transfer and conveyance of Parcel 726-E, Western Addition Approved Redevelopment Project Area A-2.



SPECIAL APPEARANCES (continued)

President Wexler opened the public hearing to hear all persons interested in the matter of the proposed transfer and conveyance of Parcel 726-E, Western Addition Approved Redevelopment Project Area A-2. There being no persons wishing to appear in connection with the matter, the President declared the public hearing closed.

PRESENTATION OF GERALD LEVITIN ON B.R.B. HOMES, - DIAMOND HEIGHTS

President Wexler indicated that Mr. Gerald Levitin had requested an opportunity to present his views to the Commissioners regarding the B.R.B. Homes, Inc. development adjacent to Safira Lane in the Diamond Heights project area. In response to President Wexler's inquiry, Mr. Hamilton indicated the staff had nothing new to present concerning this development but would respond to questions.

Mr. Levitin came forward and indicated that originally 46 units had been planned for the site on Diamond Heights Boulevard near Duncan Street. He indicated that the Bureau of Permit Appeals had revoked the building permit after the foundation for the units had been built for the reasons that: (1) the developer was attempting to build five buildings instead of one and that constitutes a violation of the City Codes, because separate buildings were proposed which would be sold as condominiums; (2) that the number of units violated the Agency's regulations in regard to the distance between buildings. He alleged that the buildings were packaged as nine condominiums consisting of either four, six, or eight units which having been approved for construction as one building violated codes and the intent of zoning density. He alleged that the Board of Permit Appeals by a 5 to 0 vote agreed with these alleged violations and Judge Harry Low supported the Board's action in a court decision. He also objected to the density of the development, and referred to other parcels on which fewer units had been constructed as compared to the B.R.B. site on which apparently 44 units were to be constructed.

President Wexler inquired of Mr. Levitin what his specific reasons were in objecting to the proposed development, and Mr. Levitin replied that density and the resultant traffic problems were of concern to him. He questioned why this developer was being permitted to build 44 units which he alleged had five times more density than other developments in the area. He again expressed concern that an apartment-type building was being proposed rather than individual units. He indicated that although the Redevelopment Plan for the area permitted as high as 70 units it would be impossible to construct that many since the topography would not permit such construction. He indicated more than 200 residents were opposed to the development.

Mrs. Ruth Gravanis of the Glen Park Association came forward and indicated that although Glen Park lay at the foot of the Diamond Heights project area, development in the project affected that neighborhood since traffic from Diamond Heights funnelled through the narrow streets of Glen Park on its way to the BART station and to the Bayshore and 280 Freeways, making it congested and creating pollution. She objected to the high density of 44 units and indicated that in her opinion insufficient analysis had been done in the planning of Diamond Heights in regard to the impact on adjacent community areas.



SPECIAL APPEARANCES (continued)

Mr. Thomas Meeks of the Diamond Heights Community Association, formerly D.H. Neighborhood Association, came forward and indicated that at its meeting the association's Board of Directors had voted unanimously to reaffirm their approval of the 44-unit residential development as proposed by B.R.B. Homes because if the number of units were far less than the number the Redevelopment Plan permitted on the site and if the number were decreased they would be beyond the price middle-income families could afford. He indicated that decreasing the number to seven units as proposed by Mr. Levitin would cost from \$180,000 to \$200,000. Mr. Glickman inquired how many people constituted the Association, and Mr. Meeks replied there were 350 members. President Wexler inquired if Mr. Meeks had any response to the issue of traffic flow, and he responded that the Association was working with neighborhood groups including the Glen Park Association on traffic problems shared in common with adjacent areas. He expressed the belief, a professional engineer, that the incremental traffic flow created by the 44-unit development would be imperceptible.

Mr. Lee inquired who the 200 residents opposed to the development were since the Diamond Heights Community Association had approved the proposal. Mr. Levitin responded that they lived below the project area and belong to the Association. He believed that the seven board members who voted to approve B.R.B. Homes did not represent the residents of Diamond Heights.

In response to Mr. Lee's question, Mr. Levitin indicated he was not a member of the Association, but that he represented the people of the adjacent areas, particularly the Noe Valley which was affected by Diamond Heights development since it served as thoroughways for Diamond Heights residents. President Wexler inquired about Mr. Levitin's philosophical reasons for stopping the development beyond the reasons of code violations and asked if he also shared the concerns of the representative from Glen Park about the increased traffic flow in his neighborhood. Mr. Levitin responded that the 200 people he represented agreed with the Glen Park people and they believed that increased density would also increase traffic, noise and crime in the area. Ms. Shelley asked about the relation of the crime level to density and inquired if socio-economic factors would have a great influence over such an increase. Mr. Levitin indicated that higher density resulted in increased crimes because most crimes were the work of juveniles who live within the area without regard to socio-economic factors.

President Wexler suggested that representatives from the B.R.B. Homes, Inc. present their views.

Mr. Yale H. Smulyan, attorney, representing B.R.B. Homes, Inc., came forward and indicated that the zoning for the land on which the development is situated permitted construction of a building of 75 feet in height with a density of 47 percent more than the B.R.B. Homes, Inc. is building on the site. The 44 units being built are to be 30 feet in height, with two stories above garages. The units would be in a building surrounding an attractive landscaped center area with 2 driveways in accordance with the request of the Diamond Heights residents. Mr. Smulyan indicated he wished to clarify certain facts regarding the B.R.B. Homes, Inc., which differed from those noted by Mr. Levitin.





SPECIAL APPEARANCES (continued)

Mr. Smulyan indicated that in 1976 B.R.B. Homes, Inc. had obtained a building permit to construct a 46 unit apartment complex on Diamond Heights Boulevard and this permit was subsequently revoked even though the ten day appeal period had lapsed. The plans had provided for the 20-foot backyard setback required by the Diamond Heights Redevelopment Plan instead of the 25-foot backyard required by the City Planning Code. Rather than appealing the issue of the Bureau of Permit Appeals jurisdiction over the development and the propriety of the Bureau acting after the appeal period had expired the project was redesigned to delete 2 units to conform with City setback requirements. This redesign has been approved by City Planning and is being reviewed for a permit. Mr. Smulyan indicated that Mr. Levitin apparently objected mainly to density and stressed that the density allowed on the site is 281 rooms and the B.R.B. development has only 164 rooms. He noted that Mr. Levitin's letter to the Commissioner's which he had just seen indicated that there are five separate buildings which would be sold as condominiums but there is only one building which will be marketed as individual condominium units. He indicated that originally, the building had one foundation but had double wall construction to provide additional insulation and Mr. Levitin alleged this constituted separate buildings. Mr. Smulyan indicated that B.R.B. Homes, Inc. had also replaced the double wall construction with single walls to avoid any question that the development was one building. He stressed that B.R.B. had complied with all requirements and regulations.

In regard to Mr. Levitin's opposition, Mr. Smulyan indicated his belief that it was through the use of scare tactics that Mr. Levitin obtained the 200 signatures and quoted from a notice sent to residents which stated that redevelopment was a threat to the property owners in the area because their property could be taken over by the Agency. President Wexler inquired if the Board of Permit Appeals had ruled initially that there was more than one building, and Mr. Smulyan indicated this was not so and that it had merely revoked the permit on the basis that there was only a 20-foot backyard instead of a 25-foot one. He indicated that the President of the Board of Permit Appeals had expressed the view that there were nine buildings not one, but that the Board had not included that issue in its ruling. President Wexler again inquired if the Board had ruled on the single building question and Mr. Smulyan responded negatively. He noted that B.R.B. had subsequently filed a suit against the Board of Permit Appeals questioning its jurisdiction in acting after the ten day appeal period.

Mr. Glickman inquired if the B.R.B. appeal before the Superior Court also concerned the issue of the 20-foot backyard. Mr. Smulyan replied that the appeal related only to the question of jurisdiction and the Court was only interested in hearing evidence concerning that aspect. The Court upheld the Board of Permit Appeals and never considered the question of the number of buildings. Mr. Smulyan indicated that his firm is considering appealing the decision. Mr. Glickman also inquired if B.R.B. Homes had posted signs indicating it was selling more than one unit as an investment package, and Mr. Smulyan replied affirmatively but noted that the proposal had now been abandoned. He indicated under the original proposal an individual could have bought four condominium units, and Mr. Glickman commented that the original plan then would allow an individual to buy an investment package.



SPECIAL APPEARANCES (continued)

In response to Mr. Glickman's inquiry Mr. Smulyan noted when the condominium plan was filed was it would be done as 44 separate units.

President Wexler indicated that Mr. Levitin would be given an opportunity to comment on these remarks and Mr. Levitin came forward noting that there was a transcript of the Board of Permit Appeals hearing which upheld his contention that the Board of Permit Appeals had voted upon both the rear yard setback and the matter of the 9 buildings and that he would be pleased to provide a copy of the transcript of the hearing. President Wexler inquired about the ruling of the Board that there were nine separate buildings and Mr. Levitin indicated this was because of the way they were to be marketed with five building in nine sales packets. President Wexler asked if the Board had ruled on the question as to whether the units could be considered physically separated as five separate buildings and Mr. Levitin responded affirmatively. President Wexler thanked everyone for their comments and inquired if Mr. Hamilton wished to make a statement. Mr. Hamilton indicated that the Board of Permit Appeals held that the 44 unit building was nine buildings in addition to finding the 20' rear yard in violation of the City's yard requirement. These issues are now moot since two units were removed to meet City Planning requirements for a 25-foot backyard. Mr. Hamilton noted that the 20' rear yard conformed to the requirements of the Agency's re-development plan. The firm has now replaced the double studded walls, originally provided for better insulation with single walls, so there will be no question as to the number of buildings.

President Wexler inquired as to the staff's evaluation of the project apart from the technical considerations and what options were open to the Commissioners if they desired to take some action. Mr. Hamilton indicated that the staff was in support of the project proceeding as it is and recommended that the Commissioners take no action since there was a binding contract with B.R.B. Homes, Inc. He also noted that the project meets the City codes and zoning requirements and is in full compliance with Agency standards. In response to President Wexler's comment, Mr. Hamilton indicated that any action taken by the Commissioners could be construed as rescinding the Agency's Agreement with B.R.B. Homes, Inc.

Mr. Glickman inquired about the City applying its own setback standards since the 20-foot setback met the requirements of the Agency's redevelopment plan. He indicated that it appeared the City was overriding the approved plan for the area. Mr. Hamilton indicated that this was the case and Judge Low had expectedly upheld the Board of Permit Appeals in this matter. Mr. Glickman inquired if the Agency had joined the developer as an amicus curiae in the suit and Mr. Hamilton answered negatively noting that staff had worked with and supported the developer in the matter. Mr. Glickman expressed his belief that in the future it would be advisable to provide a developer with legal support on such a matter. He noted that once the City Planning Commission has approved a plan it causes difficulties for developers if it subsequently enforces different standards on a particular proposal. President Wexler agreed with Mr. Glickman and inquired if an appeal was being considered.



SPECIAL APPEARANCES (continued)

Mr. Hamilton indicated the staff has been meeting with City Planning because this same issue has been raised in connection with other developments and the Agency is attempting to resolve these at the administrative level.

Mr. Quintin McMahon, Director of Real Estate, Marketing and Business Development, indicated the staff support given B.R.B. Homes, Inc. and reiterated the position that the development constituted only one building; and noted that the Superintendent of the Bureau of Building Inspection also held that it was one building. He indicated that this was in accordance with practices which permits individual condominium units to be considered as one building. Mr. McMahon noted that the subdivision map shows 44 units. These will be sold at an average price of \$60,000. The development consists of 1.06 acres, which equals 41.5 units to an acre as compared to other developments in the area including the 53 units an acre for the 7.5 acre Ring Brothers' Red Rock Hill and 56 units an acre for the 2.8 acre Nelson Village Square. Mr. Michael Mann, Business Development Specialist, reaffirmed that the Board of Permit Appeals had considered the question of whether there were nine buildings and voted to revoke the permit based on that issue as well as the backyard setback alleged violation. Ms. Shelley commented that the issue of whether the development constituted one building apparently was based on the proposal to the development in nine packages and now that issue has been rendered moot and the building is defined as one; it appears that the only issue being protested is the density which was never an issue. In response to inquiry Mr. McMahon reaffirmed that Mr. Levy also held that there was only one building. Mr. Mann indicated that if there had been nine buildings the redevelopment plans would have required 40 feet between each building. President Wexler inquired what revisions Mr. Levitin was advocating and if he believed the Agency should breach its agreement with B.R.B. Homes, Inc. and he replied that the firm could have a course of action against the Agency. President Wexler indicated that the two issues raised by the Board of Permit Appeals have now been altered and conform to City regulations and he found no basis to void the Agency's agreement with B.R.B. Homes, Inc. Mr. Levitin expressed his belief that the Agency could get the developer to agree to less density without breaching its agreement. He cited as an example the changes already made by the developer. President Wexler indicated that the Agency had not required those changes to be made.

Mr. Smulyan indicated that it is the position of B.R.B. Homes that having its plans approved by the Agency in effect constituted a right to build the original project and since the Court held a contrary view the firm had decided it would be quicker to comply with the City Code than make an issue out of it. In response to President Wexler's inquiry Mr. Smulyan reaffirmed that the changes made by the developer were voluntary and not directed by the Agency. He indicated that eliminating the double wall construction made a savings for the developer, although the double walls would have achieved a better quality of construction since more insulation would have been provided.

Mr. Kaplan inquired about the number of units and referred to the minutes of June 29, 1976 which made reference to 42 units. Mr. Mann indicated that the informational memorandum to the Commissioners had the unit count from 44 to 42 and ultimately to 46 and during this time there had been a number of changes in the actual count. He noted that this was not an unusual change and since up to 70 units could have been built on the site staff believed this was an acceptable density.



SPECIAL APPEARANCES (continued)

In response to Ms. Shelley's inquiry Mr. Levitin indicated that he had mentioned seven units with the intention of decreasing the density and commented that it appeared the number of units could move down as well as up. Dr. Williams inquired how many were in the project. Mr. Mann replied that there were approximately 2,000 multifamily, 660 single-family, and 420 moderate-priced private housing units. Dr. Williams commented that in an area of 3,000 dwelling units, he did not understand why a neighborhood so far away was protesting the development of 44 more units. It was his opinion that since the Agency had executed a legal agreement that the developer experience no further delays which resulted in escalated construction costs.

Mr. Smulyan indicated that the firm wanted to provide more housing which the Agency also wanted and that to put in fewer units would not be responsive to the needs of middle-income purchasers. He indicated that any increased costs would have to be passed on to the purchasers. President Wexler inquired if there was any action the Agency needed to take today, and Mr. Smulyan answered negatively noting that the revised plans have been approved by the City Planning Commission, the Engineering Department and it was anticipated that the final approval would be obtained in about two weeks. Mr. Lee indicated that he believed there was no basis for not following the recommendation of staff in abiding by the original contract.

Mr. Hamilton referred to the minutes mentioned by Mr. Kaplan and indicated that the action taken by the Commissioners was reflected in the adopted resolution which authorized transfer of the parcel from Ring Brothers to B.R.B. Homes, Inc. and specified the price but did not concern itself with the actual number of units. He noted that the Ring Brothers design provided for 56 units. Dr. Williams indicated that the Commissioners were open to hear comments on development but in his opinion the developers had a substantial investment in time, money, and effort and the Commissioners should stand by their original agreement.

MOTION: It was moved by Dr. Williams and seconded by Mr. Lee that the Agency reaffirm its support for the agreement executed with B.R.B. Homes, Inc. to construct 44 units of housing in the Diamond Heights Approved Redevelopment Project Area B-1, and on roll call the following voted "Aye":

Ms. Shelley  
Mr. Glickman  
Mr. Lee  
Dr. Williams

and the following voted "Nay":

Mr. Kaplan

and the following abstained:

Ms. Blomquist  
Mr. Wexler

The President thereupon declared that the motion carried.

Mr. Levitin requested he be provided with a copy of the minutes of June 29, 1976 and resolution referred to by Mr. Kaplan.





REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) Recently the Commissioners approved a contract with Curtis and Associates for a replanning study of the Fillmore Center in Western Addition A-2. This study is underway and Mr. Hamilton indicated there had been a town hall meeting held in the community to discuss the issues and preliminary findings relating to that study. It has been learned that the Economic Development Administration (EDA) will approve a \$1.5- to \$2 million grant to build the first development in the Center to be owned by the Fillmore Community Development Corporation. This development would provide space for rental by small businessmen and possibly the African-American Historical and Cultural Center. All businesses relocated from the area have been canvassed by the Curtis firm and many have expressed an interest in participating in this program.
- (b) In connection with the International Hotel tenants the Central Relocation Services had paid 11 rent supplements from the local rent supplement program totaling \$750. There were also seven interviews with eligible persons whose rent will be paid by supplements from the program. Three are to be interviewed who are being sent letters explaining their benefits, and there are four who have refused any assistance. A total of 34 persons have been interviewed. Assistance will continue to be offered to those who wish to avail themselves of it.
- (c) Last Thursday the Agency appeared before Superior Court Judge Ira Brown regarding the issue of a temporary restraining order to bar the Agency from preventing illegal occupants from entering the buildings at 1869 Buchanan and 1531 Sutter which had been heard before Superior Court Judge Lawrence S. Mana on August 25, 1977. Judge Mana refused to grant a temporary restraining order against the Agency and referred the matter to Judge Brown. Mr. Hamilton indicated that Judge Brown heard the matter and took the matter under submission.

NEW BUSINESS

- (a) Resolution No. 181-77 approving the disposition price and method of sale; ratifying publication of notice of public hearing; and authorizing acceptance of offer to purchase and execution of agreement for disposition and conveyance instruments; all in connection with the sale of Parcel 726-E, Western Addition Approved Redevelopment Project Area A-2.

This was the subject of the public hearing just held and concerns disposition of an 11-unit apartment building located at 1785 O'Farrell Street to Mr. Jonathan E. Smith, a certificate holder, for \$9,000. The minimum acceptable bid was \$7,800. Of four who had submitted bids, the two highest bidders voluntarily withdrew and the third exercised his certificate of preference of another property. Mr. Smith will utilize the Agency's Western Addition Rehabilitation Loan Program to rehabilitate the property for an estimated rehabilitation cost of \$215,000.

ADOPTION: It was moved by Mr. Kaplan, seconded by Dr. Williams, and unanimously carried that this resolution be adopted.



NEW BUSINESS (continued)

- (b) Resolution No. 182-77 designating Fellowship Manor of Bethel A.M.E. Church, a nonprofit corporation, as redeveloper of Parcel 773-B; directing that the Executive Director take the necessary action to obtain approval of the proposed redeveloper from the Department of Housing and Urban Development; and to publish a notice of public hearing in connection with the proposed disposition of the parcel, Western Addition Approved Redevelopment Project Area A-2.

This item concerns designation of the Bethel A.M.E. Church as sponsor of 100 units of housing for the elderly on Parcel 773-B at the corner of Golden Gate Avenue and Webster Street. The Department of Housing and Urban Development (HUD) has reserved funds for this development and the sponsor has developed a design and is presently processing the application through HUD and now needs evidence of site control to continue this process. Staff continues to work with the sponsor's architects on the design. Mr. Glickman inquired who the architects were and Mr. Walter Yanagita, Agency Architect, responded it was Dale Peterson. President Wexler inquired if there was an estimate of when the design problems would be resolved, and Mr. Yanagita responded that within two weeks there would be a better idea of what the design would be.

ADOPTION: It was moved by Dr. Williams, seconded by Mr. Lee and unanimously carried that this resolution be adopted.

- (c) Resolution No. 183-77 ratifying and approving action of the Executive Director in soliciting bids in connection with rehabilitation of an Agency-owned structure on Lot 37, Block 684, Western Addition Approved Redevelopment Project Area A-2; awarding contract to Willie Ballard on the basis of low bid received and authorizing execution thereof.

This concerns a contract for \$128,068 with the second lowest bidder, Willie Ballard, for rehabilitation of the third building which was moved into the Victorian Square in the Western Addition Project Area A-2. This includes restoration of two residential units and commercial units on the ground floor. The low bidder, Dave Garrison, did not comply with bidding instructions by failing to list the subcontractors he would use on the job and it was the Agency General Counsel Leo E. Borregard's opinion that this disqualified Mr. Garrison and the bid should be awarded to the next lowest bidder. President Wexler inquired if Mr. Garrison were present, and Mr. William McClure, Director of Rehabilitation, indicated he had already left but had been advised in writing of the legal staff's opinion and was invited to be present.

President Wexler inquired if there had been any response from him. Mr. McClure indicated there was no response.

ADOPTION: It was moved by Mr. Kaplan, seconded by Mr. Lee, and unanimously carried that this resolution be adopted.

- (d) Resolution No. 184-77 authorizing the Executive Director to enter into a personal services contract with New York Construction Company in connection with the Hunters Point Approved Redevelopment Project Area.

This concerns authorization of a contract for consulting services for 200 units of cooperative housing to be built in Phase II of the Hunters Point project. On August 16, 1977, Mr. Hamilton indicated that the Commissioners had authorized staff to negotiate with the New York Construction Company and the Servicing Properties, Inc., also known as Mutual Ownership Development Foundation. Staff



NEW BUSINESS (continued)

and representatives of the Bayview-Hunters Point Joint Housing Committee met with these two firms to clarify their understanding of the services to be rendered and to develop the respective fees for their performance. It was the consensus of the staff and Bayview-Hunters Point Joint Housing Committee that the New York Construction Company possessed the skills and could best provide the necessary technical services. The firm also submitted the most realistic projection of contract hours to perform the work, and had the greatest community acceptance. Mr. Hamilton indicated that the New York Construction Company would provide an experienced team consisting of a financing consultant, mortgage banker, attorney, and real estate broker. It is anticipated that the expertise of this team will assure more flexibility in resolving problems and completing the work. Mr. Hamilton noted that sufficient billing requirements had been included in the contract to assure maximum value in work product for funds expended. He also indicated that in the contract there were assurances of compliance with the Agency's conflict of interest code since the firm employed an individual who was subject to those requirements. He stressed that for this work it was extremely important that the firm be acceptable to the community and have its support. He recommended that the Agency contract with the firm of New York Construction Company for the development of Section 8 cooperative housing in Hunters Point at a contract cost of \$76,490.

President Wexler suggested that representatives from each firm address the Commissioners.

Mr. Ed Carlson of the New York Construction Company came forward and indicated his firm had taken a team approach in trying to solve the complex problems of developing an ownership process for the Hunters Point units using HUD's financing mechanisms. He indicated this process required carefully orchestrated timing financing, and a realistic marketing program, as well as other elements to achieve ownership opportunities. He indicated that there was some urgency in developing the program because delays may cause the loss of funds which are needed as the basic financing mechanism. He believed the firm had the capacity to provide the necessary services and provide cooperative housing utilizing the 221(d) 4 and Section 8 programs.

Mr. Paul Goltz of the Mutual Ownership Development Foundation (MOD Foundation) came forward and indicated the firm was founded in 1962 and was a member of several different organizations concerned with providing cooperative housing. He indicated his firm was a nonprofit organization formed to provide such services and he believed he could provide the necessary expertise since he had extensive experience in cooperative funding programs. Ms. Shelley inquired if Mr. Goltz would explain the difference in estimates between the two companies, and he responded that the firm had developed 28 cooperative housing projects in California, taking them through all phases. This experience provided knowledge concerning costs, and the services needed to perform the task. He stressed that as a nonprofit organization he could provide the services at a more economical rate. Mr. Glickman noted that there was significant difference between the firms in the number of hours projected for different phases of the work. Mr. Goltz indicated that he tried to estimate how many hours each phase would require and some phases overlap and it is difficult to make a fixed hourly estimate. Ms. Blomquist referred to a work item concerning documents necessary to obtain State of California Real Estate approvals and inquired of Mr. Carlson why he had estimated that it would take as many as 271 hours. Mr. Carlson replied that in order to expedite the program it would require more than usual travel time, telephone and related expenses to accomplish the work. Ms. Blomquist



NEW BUSINESS (continued)

inquired if these hours also included negotiating time, and Mr. Carlson replied affirmatively. Mr. Lee inquired about the estimate of time required for market analysis items including an affirmative marketing program and asked if 115 hours was sufficient to do this, and Mr. Carlson indicated he would have to use whatever hours were necessary to evaluate the data to see if it was realistic and would be satisfactory to provide a successful marketing plan. Mr. Lee inquired if the market prices were comparable in the area and Mr. Carlson answered negatively indicating that the area was an enclave with no market comparable because it was totally a redevelopment area. Mr. Glickman indicated that staff projections for time needed to perform the work items appeared to be quite different from those projected by Mr. Carlson and inquired if staff considered the costs for expediting the work in their hourly estimates. Mr. Hamilton indicated that he believed this was a factor in the differences in estimates and also that the New York Construction Company had more knowledge of this field in which to base estimates.

Mr. Glickman noted that it was difficult to force a community to hire someone whom it did not want and suggested that the community consider contracting for an amount which more closely conformed with the staff projection of hours and to reduce the cost of the work. Dr. Williams concurred that the consultant had to be acceptable to the community and stressed his belief that the overriding concern should not be the fee but obtaining a firm the community has approved. Mr. Hamilton concurred and again recommended that staff recommended proceeding with New York Construction Company. Ms. Shelley concurred in the desire to be responsive to the needs of the community but indicated that she had had only cost estimates to consider. She inquired what was "the nature of the community interests and requested clarification of the language the special expertise of New York Construction Company." She indicated her concern expending the taxpayers' funds responsibly. Ms. Shelley noted that the New York Construction Company proposal of \$76,490 was \$50,000 more than the MOD Foundation proposal and wanted more information as to the reason the higher contract would be recommended.

Mr. Claude Carpenter of the Bayview-Hunters Point Joint Housing Committee, came forward and indicated that the Committee's basic concern was with the quality of service. He noted that various consultants had worked in the area but the community had not always been satisfied with the services provided. He stressed his belief that the New York Construction Company was the firm best qualified to provide these services. They had done good work previously and the community wished to continue that relationship. He urged that the issue of the contract fee not be the basis for the Commissioners' decision and stressed the point that the consultant be able to work with the leaders of the community. President Wexler inquired if the community had had the opportunity to work with Mr. Goltz and Mr. Carpenter replied negatively.

Mrs. Elouise Westbrook came forward and indicated that in reference to Ms. Shelley's statement concerning the taxpaying public, people at Hunters Point were also concerned and that cooperative housing would increase the tax base by bringing in more revenue to the City. She commented that it was the goal of the Hunters Point Community to obtain the best quality and most experienced consultant possible. She believed that the community needed a way to get cooperative housing and the New York Construction Company would do what the people wanted.

On another matter, Mrs. Westbrook requested that Hunters Point items not be placed at the end of the agenda since many people had to wait so long to be heard. President Wexler indicated that this would be considered in formulating







NEW BUSINESS (continued)

the agenda. President Wexler questioned Mr. Carlson as to the safeguards that would be provided in the contract to assure completion of the work items. He also inquired if the items required less than the estimated time how that was reflected. President Wexler commented on the contract services related to the negotiation of the utilization by the cooperative of the sections 8 and 221(d) 4 programs and noted that Mr. Carlson had estimated 175 hours compared to Mr. Goltz's 15 hours and the staff estimate of 90 hours. He indicated it was difficult for the Commissioners to know how much time would be needed to successfully conclude such a work item but that they wished to be assured the item would be completed and if there were excess hours the savings would be passed on to the Agency. Mr. Carlson indicated that the estimates were based on his professional judgment and unrealistic to compare his firm with another. In developing his estimates it was his judgment how long it would take the team to do the work and agreement was reached with staff that documentation would be provided for the work performed. He stressed the need for travel to Washington, D.C. and other steps that were necessary to complete the contract. President Wexler inquired if the proposed contract fee of \$76,490 was to be paid entirely or whether it be a maximum figure that could be lessened depending upon the number of hours in which the work could be done. Mr. Carlson indicated his belief that the contract figure was underestimated and that it would require more hours which would not be charged to the Agency.

Mr. Hazen Pierce of the New York Construction Company came forward and indicated that the original proposal for the work was \$140,000 which had been reduced to \$76,490 without a corresponding reduction in services and the contract fee was what the Agency will be billed for. In response to President Wexler's inquiry, Mr. Hamilton indicated that this was his understanding. Mr. Glickman requested clarification of whether the contract was at a fixed amount of \$76,490 regardless of the number of hours worked, and whether there were guarantees that the work would be completed.

In response to Mr. Glickman's inquiry, Agency General Counsel, Leo Borregard responded that the contract had a detailed scope of services which specified the sum to be paid for each of the enumerated tasks to be undertaken. In reply to Mr. Glickman's inquiry, Mr. Borregard indicated he had reviewed the contract and that the contract guaranteed that certain services were to be performed for the \$76,490. He indicated his opinion that these work items were sufficiently specific and that the contract was enforceable. Mr. Borregard indicated that the contract appeared to be based on payment of a total sum and that the number of hours needed to perform the tasks appeared to be based on the best professional estimate the firm could provide. Even though more hours may be required, the contract amount would not be increased. Mr. Glickman noted that in response to Dr. Williams' concern that the community have the consultant they recommended he had been concerned that the community obtain the services that it believes it is contracting for \$76,490. Mr. Glickman requested that staff inform the Commissioners what the contract will provide to the community.

Mr. Earl Mills, Area Director for Hunters Point, indicated that Mrs. Bertha Freeman of the Bayview-Hunters Point Credit Union was experienced in developing cooperative housing and asked her to respond to the concerns expressed. Mrs. Freeman indicated that she had read the contract with regard to the number of hours and believed the community would receive more services than specified for the fee because the work was time consuming and more hours would be required to perform the tasks. She indicated that it had taken two years to develop the cooperative units in which she was involved. Mr. Glickman inquired if Mrs.



NEW BUSINESS (continued)

Freeman believed the contract would provide the services needed, and she replied affirmatively. She indicated she would be responsible for seeing that the contractors performed. Mr. Glickman indicated that this information resolved his concerns.

MS. Shelley indicated that the New York Construction Company stated it was willing to commit itself to completion of the work regardless of whether it could be completed within the number of hours stated at \$76,490. She inquired if the MOD Foundation had made any such commitment on its \$29,050 estimate and Mr. Goltz replied that he would never accept a contract with a community that did not want his firm to do the work, therefore his answer would be immaterial. President Wexler indicated that the Commissioners all supported the concept of cooperative housing but that he wished to clarify the monitoring process which he believed related to hours expended. He indicated that this concept was contrary to the inference of Mr. Hazen Pierce that this was a fixed fee contract. Mr. Hamilton indicated his understanding that the contract services will be provided regardless of the hours expended by the contractor. President Wexler questioned what would occur if an excess number of hours needed to be expended before all the funds were released, and also if the job could be done more efficiently what would result. Mr. Hamilton responded that the contractor considered that the estimated number of hours was a conservative guess. Mr. Carlson stressed his commitment to completing the work items for \$76,490 and noted that he had worked with staff establishing the hourly estimate to provide a control mechanism so that he would not be paid funds for completion of a contract which left work undone. He indicated that it was not his intention to enter into an hourly rate but regarded the time estimates as a control mechanism but that the fee was fixed at \$76,490. Mr. Carlson indicated that progress reports would be submitted as the work proceeds. In response to President Wexler's inquiry as to whether Mr. Carlson could bill for the remaining amount of the contract even if fewer hours were needed Mr. Hamilton indicated payment would be made on the basis of the billings for hours expended on the contract and the firm would not be paid for services not performed. President Wexler indicated that he believed there was a difference but that it appeared both parties understood the payment mechanism.

Mrs. Freeman came forward and indicated her understanding that the contractor anticipated working more hours than he would be paid and emphasized her concern that the cooperative housing be built. Dr. Williams reaffirmed the understanding that the contractor was accepting an assumed risk and recommended that the Agency agree to pay the price.

MOTION: It was moved by Dr. Williams and seconded by Mr. Kaplan that the contract with New York Construction Company be awarded on a flat fee basis of \$76,490.

Mr. Glickman noted this was not the staff recommendation and Mr. Hamilton indicated that staff believed the contract amount should be based on regular billing for the hours expended. Dr. Williams and Mr. Kaplan inquired if the firm wished to amend the contract to a flat fee basis and Mr. Carlson indicated he preferred to leave the contract as it is with billings based on hours of work performed. President Wexler indicated as a result of Dr. Williams' and Mr. Kaplan's consensus, that the resolution would be considered as recommended by staff.



NEW BUSINESS (continued)

Ms. Shelley commented that there was a spread of 319 hours between staff estimates and the New York Construction Company's estimate and inquired if staff believed the work would require the additional hours and Mr. Hamilton agreed noting that staff's estimate was made without knowing how a professional individual would service specific work items.

ADOPTION: It was moved by Dr. Williams, seconded by Mr. Kaplan, and unanimously carried that this resolution be adopted.

Dr. Williams suggested that in the future Hunters Point items be placed first in order on the agenda.

- (e) Resolution No. 179-77 awarding Personal Services Contract IE-15, India Basin Industrial Park, and H-39, Hunters Point Approved Redevelopment Project, to Melvin H. Lee and Associates.

This item represents a contract for landscaping services with Melvin H. Lee and Associates for \$39,900 to provide services over a three-year period on an as needed basis for landscaping work throughout both the India Basin Industrial Park and Hunters Point projects. Mr. Lee will provide consultation on street trees, medians, play areas adjacent to neighborhood facilities and the plaza and will review development proposals among other things. In order to distinguish the contractor, Melvin H. Lee from Commissioner Melvin D. Lee, it was suggested that the resolution be amended to add the initial to the contractor's name.

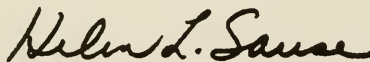
ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted as amended.

Mr. Glickman on behalf of the Commissioners welcomed the families of President Wexler and Ms. Blomquist to the meeting.

ADJOURNMENT

It was moved by Mr. Glickman, seconded by Ms. Blomquist, and unanimously carried that the meeting be adjourned. The meeting adjourned at 6:45 p.m.

Respectfully submitted,



Helen L. Sause  
Secretary



SEP 8 1977

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MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
6TH DAY OF SEPTEMBER 1977

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 6th day of September 1977, the place, hour, and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present:

Howard M. Wexler, President  
Dian Blomquist  
Rubin Glickman  
Walter F. Kaplan  
Melvin D. Lee

and the following was absent:

Joan-Marie Shelley, Vice President  
Dr. Hannibal A. Williams

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were Arnold Townsend, Mary Rogers, Benny Stewart, and Richard Sawyer, Western Addition Project Area Committee (WAPAC); Donald S. Tanamachi, Barker-Kobata Associates; Jovita D. Buted, Mr. and Mrs. R. A. Delano, and Wayne Alba, Philippine Cultural and Trade Center; Alex Esclamado, Filipino-American Council of San Francisco; Ann Whittington, Joan Takino, Ellen Griffith, and other representatives of the Coalition in Support of Nihonmachi Tenants; Robert Batchelor, architect; and Ben Yee, Diamond Heights resident.

Representing the press were Donald Canter, San Francisco Examiner; Marshall Kilduff, San Francisco Chronicle; and Dan Borsuk, San Francisco Progress.

#### APPROVAL OF MINUTES

It was moved by Ms. Blomquist, seconded by Mr. Lee, and unanimously carried that the minutes of the Executive Meeting of August 23, 1977, as corrected and as distributed by mail to the Members, be approved.

President Wexler announced that there had been a request from representatives of the Coalition in Support of Nihonmachi Tenants to speak as an off-agenda item.

#### REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) At the bid opening for the second phase of the Hunters Point Galvez Playground construction a single bid was received from DeNarde Construction for \$776,839 which was 35 percent over the estimated cost. A report on the evaluation will be sent to the Commissioners.





REPORT OF THE EXECUTIVE DIRECTOR (continued)

- (b) The hearing on the Mayor's Community Development proposal will be held on September 8 and 13, 1977. The Agency has had extensive discussions with the Office of Community Development and has appeared before the Citizens Committee for Community Development regarding the Agency's program. The Mayor's proposed budget includes the following allocations for Agency projects: \$6,278,600 for Hunters Point, \$2,061,700 for India Basin, \$3,940,000 for Western Addition A-2, \$624,506, and \$200,000 for the Northeast Waterfront projects, for a total of \$13,104,200. The Mayor's final proposal is scheduled to be sent to the Board of Supervisors on September 22, 1977 with tentative hearings by the Finance Committee on October 5 and 12, 1977.
- (c) On Saturday, September 24, 1977, there will be a groundbreaking and picnic at the Walter Haas Playground in Diamond Heights. There will be a presentation by the Agency of the Department of Housing and Urban Development (HUD) Bicentennial Flag awarded for design excellence by HUD.
- (d) Mr. Hamilton indicated that to date the Central Relocation Services staff has interviewed 35 tenants of the International Hotel and efforts continue to contact and provide services to all tenants; 14 persons have received their first month's rent payment through the Local Rent Assistance Program for a total of \$1,090; 14 persons have received grants of \$50 each for replacement of household items lost in the move; 7 persons have received their first month's rent program through the Special Circumstance Unit of the Supplemental Security Income Program; 8 persons have expressed interest in public housing and one has been accepted and has moved to the Ping Yuen housing project in Chinatown; and 4 persons have refused all assistance.

NEW BUSINESS

- (a) Resolution No. 185-77 authorizing termination of agreement for disposition of land for private redevelopment pertaining to Parcel 762-A, Western Addition Approved Redevelopment Project Area A-2.

President Wexler indicated that at the request from staff, which requires additional time to evaluate new information, this item will be held over for two weeks until September 20, 1977.

- (b) Resolution No. 186-77 awarding Demolition and Site Clearance Contract No. 69-A to Charles S. Campanella, Inc., Western Addition Approved Redevelopment Project Area A-2.

This item concerns award of Demolition Contract No. 69-A to the lowest of four bidders, Charles S. Campanella Company, Inc., for \$50,747 to demolish six buildings of two- and three-story wood frame construction. Four are vacant and staff is working to relocate the remaining two occupants. The buildings are located at 1869 Buchanan, 2001 Bush, 1628-30 Post, 1992-98 Post, 1702-14 Buchanan, 1737-39 Sutter, 692-98 McAllister, 700-12 Gough, and 1253-57 McAllister Streets.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted.



NEW BUSINESS (continued)

Ms. Ellen Griffith of the Coalition in Support of Nihonmachi Tenants came forward and opposed the Commissioners' action indicating the concern of the Coalition about the building at 1869 Buchanan now occupied by Mr. and Mrs. Henry Lee. She requested that the Coalition be heard prior to the approval of the resolution. President Wexler indicated that the Coalition had requested and received permission to speak at the end of the calendar and the speakers could use their time now instead of at the end of the agenda, which they agreed to do.

A representative of the Coalition came forward and expressed opposition to the Agency's actions alleging staff had no right to enter the buildings, removing personal possessions of the tenants, and force the tenants to move. She indicated that the Lees would continue to refuse to move and were being harassed. She claimed that the Agency's guards had walked into the tenants' apartments and had stopped anyone from entering the buildings, including the tenants themselves at various times. She claimed that there was already too much demolition and that there was no more rental housing left. She asked that the guards be removed and the alleged harassment and interrogation of occupants be stopped. She claimed that the tenants' possessions had been stolen and that \$300 was also taken, and she asked that everything be returned. She alleged that some of the tenants had almost been beaten and that the area resembled an armed occupation camp.

Ms. Ann Whittington of the Coalition came forward and reiterated the demands of the previous speakers. She alleged that the Agency indicated it had no money to repair the building but it is spending \$5,000 a week to pay for guards. She claimed that the Agency did not want to fix up the buildings but rather wished to demolish property and destroy the Japanese community. She indicated that none of the tenants wanted to move.

President Wexler inquired of Mr. Hamilton if he wished to respond to the allegations and demands. Mr. Hamilton replied that the question of the tenancy rights for the illegal squatters in the 1869 Buchanan and 1531 Sutter Street buildings are now the subject of court proceedings and the matter has been taken under submission by Superior Court Judge Brown. A procedure has been worked out whereby people can claim the possessions they had left in the buildings. Mr. Hamilton indicated that the guards will remain in the buildings to protect Agency property as long as is necessary. President Wexler inquired about the allegation that the guards had harassed the tenants and Mr. Hamilton indicated that the guards are instructed to limit access to the buildings to the legal tenants only. Ms. Whittington demanded that the guards be removed, and President Wexler indicated his understanding that the guards were there for the sole purpose of keeping out any trespassers and were not to hinder the legal tenants' use of the buildings. Mr. Hamilton confirmed this understanding and added that the Agency was under court order to limit access to the buildings. President Wexler suggested that if the Commissioners wished to make a motion reaffirming the instructions that the guards were limited to these activities it may prevent misunderstandings. Ms. Griffith reiterated the demands that the guards be removed and indicated her belief that a resolution would be insufficient. President Wexler indicated that he knew of no reason why the guards should be removed from protecting Agency property and preventing trespassers from gaining entry and indicated that the Commissioners do not wish to remove guards from carrying out those purposes. He indicated that 1869 Buchanan be demolished and replaced with an increased number units of new low-cost housing.



NEW BUSINESS (continued)

- (c) Resolution No. 187-77 award of Site Improvement Contract No. 25-A to Steiny and Company, Western Addition Approved Redevelopment Project Area A-2.
- (d) Resolution No. 188-77 award of Site Improvement Contract No. 25-B to Abbett Electric Corporation, Western Addition Approved Redevelopment Project Area A-2.

Mr. Hamilton requested and received permission to consider both these items together. The first relates to award of Site Improvement Contract No. 25-A to Steiny and Company for \$220,000 and the second to Site Improvement Contract No. 25-B to Abbett Electrical Corporation for \$291,000, both on the basis of the lowest alternative bids submitted for Contract No. 25. Only these two firms made a bid on the contract. This work will complete the Agency's portion of the Western Addition Area A-2 undergrounding of utilities, which must be completed in time to permit the Pacific Gas and Electric Company to finish its installation of electrical equipment before January 1, 1978. Acceptance of the lowest alternatives saves approximately \$41,000 over acceptance of one contractor and also saves time because the work can proceed concurrently. President Wexler inquired what the staff's estimate was for the work and Mr. Hamilton responded it was \$485,000 and the combined bids totaled \$511,000.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that these resolutions be adopted.

- (e) Resolution No. 189-77 awarding Personal Services Contract HE-40 to Barker/Kobata Associates, a joint venture, Hunters Point Approved Redevelopment Project Area.

This item is in connection with a joint venture contract with Barker/Kobata Associates for \$19,500 to complete landscape documents and construction inspection for a three-quarter acre community playground and park. In response to President Wexler's inquiry, Mr. Hamilton replied that the firm had opened a local office.

ADOPTION: It was moved by Mr. Lee, seconded by Mr. Kaplan, and unanimously carried that this resolution be adopted.

- (f) Consideration of authorization to advertise invitation for bids, Demolition and Site Clearance Contract No. 20, India Basin Industrial Park Approved Redevelopment Project Area.

Mr. Hamilton indicated that this concerned an authorization to advertise the invitation for bids for Demolition and Site Clearance Contract No. 20 in India Basin Industrial Park involving demolition of two 2-story wood-stucco buildings which are occupied by previous owners who expect to be relocated by the end of September. Clearance of the properties is necessary to adhere to the overall site preparation schedule. Ms. Blomquist noted that it appeared there would be salvage and asked if the Agency could benefit from performing this salvage and Mr. Hamilton indicated that when the demolition contract is advertised it is assumed that salvage rights go with the contract.

MOTION: It was moved by Mr. Kaplan, seconded by Mr. Lee and unanimously carried that Demolition and Site Clearance Contract No. 20 be advertised for bids.



NEW BUSINESS (continued)

- (g) Resolution No. 180-77 authorizing and granting a variance from the physical standards and requirements of the Redevelopment Plan for Diamond Heights Approved Redevelopment Project Area B-1, Block 7532, Lot 41.

This item relates to a request for a sideyard setback variance to permit construction of an additional room at the rear of the home of Mr. and Mrs. Ben Yee at 407 Goldmine Drive in Diamond Heights. This addition would encroach upon the sideyard setback as required by the Agency's Redevelopment Plan for Diamond Heights, however it does conform with City requirements. The Diamond Heights Neighborhood Association and adjacent neighbors on each side have been contacted and have expressed no objections.

**MOTION:** It was moved by Ms. Blomquist, seconded by Mr. Kaplan that this resolution be adopted.

Mr. Lee inquired about the size of the room to be built, and Mr. Ed Ong, Chief of Architecture, responded it was 15 X 16 feet, or 240 square feet. Mr. Glickman inquired if the neighbors had been notified and, if so, in what manner, and Mr. Ong replied that the neighbors on each side had provided letters indicating their agreement. Also, the Diamond Heights Neighborhood Association had been notified. Mr. Glickman inquired about notification to the surrounding area since he wished to be certain that no one could protest afterwards that they had not been notified. He suggested that in the future a posting requirement be considered so that the whole neighborhood would be notified of any variances. He believed this was necessary since not every resident in Diamond Heights belonged to the Association. He inquired about the effect of delaying action on this matter, and Mr. Ben Yee, the owner of the property, came forward and indicated that the original builder of eleven other homes in the tract had obtained similar variances on other homes. He questioned why his home was singled out, and Mr. Glickman noted that he was only concerned that everyone affected be notified of the variance. He did not, however, wish to effect Mr. Yee's financing. Mr. Yee assured him there was no problem with financing but noted that the neighbors most directly affected by the variance had no objections to it. He asked who else should be notified, and Mr. Glickman expressed concern about granting a variance unless everyone received notices. Mr. Kaplan indicated that the adjacent neighbors had not protested and they were the ones most directly affected. Mr. Lee suggested that this variance be approved but in the future notices should be posted. President Wexler inquired about the neighbors in the rear and Mr. Yee indicated there were 60 feet in the rear yard setback which conformed with Redevelopment Plan requirements. Mr. Ong confirmed this indicating that the variance did not affect the rear yard since it was from the sideyard. President Wexler suggested that the Commissioners consider the matter before them concerning the granting of the variance and subsequently consider a motion concerning posting of notices.

**ADOPTION:** It was moved by Ms. Blomquist and seconded by Mr. Kaplan that this resolution be adopted, and on roll call the following voted "Aye":

Ms. Blomquist  
Mr. Kaplan  
Mr. Lee  
Mr. Wexler





NEW BUSINESS (continued)

and the following voted "Nay":

Mr. Glickman

and the following abstained:

None

The President thereupon declared that the resolution passed.

MOTION: It was moved by Mr. Glickman, seconded by Mr. Lee and unanimously carried that variance requests be posted in accordance with the procedures used by the City for posting such notices.

Mr. Arnold Townsend of the Western Addition Project Area Committee (WAPAC) came forward and indicated that such postings could be troublesome because the neighbors who are directly affected were more important to notify than property owners several blocks away. Mr. Townsend also indicated that he opposed the demolition contract awarded under 9b since he believed there was a moratorium on demolishing buildings unless it was absolutely necessary. Mr. Townsend indicated that he did understand the need for demolition in cases where the buildings could not be moved. Ms. Blomquist inquired about notifying residents in the affected block and Mr. Glickman responded that normally the City requirement was 300 feet on either side of the property affected by the variance. President Wexler inquired if this presented any problems, and Messrs. Hamilton and Ong indicated there was no difficulty. Mr. Kaplan asked if the Diamond Heights Neighborhood Association was similar to WAPAC and the Bayview-Hunters Point Joint Housing Committee, and Mr. Hamilton answered affirmatively noting that the Diamond Heights Neighborhood Association served the same role but did not have an Agency funded staff.

ADJOURNMENT

It was moved by Ms. Blomquist, seconded by Mr. Kaplan, and unanimously carried that the meeting be adjourned to executive session. The meeting adjourned at 5:05 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Helen L. Sause". The signature is written in dark ink and is positioned above the printed name and title.

Helen L. Sause  
Secretary



MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
20TH DAY OF SEPTEMBER 1977

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 20th day of September 1977, the place, hour, and date duly established for the holding of such meeting.

The Acting President called the meeting to order and on roll call the following answered present:

Joan-Marie Shelley, Acting President  
Dian Blomquist  
Rubin Glickman  
Walter Kaplan  
Melvin Lee  
Dr. Hannibal Williams

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SEP 20 1977

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and the following was absent:

Howard Wexler, President

The Acting President declared a quorum present,

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Also present were E. M. Sadang, Palerrio Peyer, C. B. Soriano, A. J. Soriano, Moises Paraso, J. R. Paraso, Rufino Santos, Alfredo Rupisan, Bernie Rupisan, G. G. Bombarda, Florentina Dedal, R. S. Vargas, N. C. Galura, Mary Tansinsin, Eulalia Argadon, Dr. Francisco Geiardo, D. R. Tanyoso, Eutiquice Tayorade, Philip Gaglione, Santiago Pozano, F. B. Valdez, Antonia Zebutch, Jovita Buted, Rubin Aure, Mr. and Mrs. Teopilo Sin, Maria Salinder, E. Arvis, Frank Alarson, Ramon Esclamado, Beatriz Gollicia, P. G. Caragay, Silvina Cawoniogo, Alfonso Agushi, Cesar Aldia, Alex E. Esclamado, Philippine News, representing the Philippine Trade and Cultural Center, Inc.; Pally B. Arzagon, President, Filipino-American Council of San Francisco; Dr. Ubalde, Jr., representing Pacific Trade Center; Mickey Imura, Jane Crumira, and Anne Whittington, representing Coalition to Support Nihonmachi Tenants; June Habino, representative of Committee Against Nihonmachi Evictions (C.A.N.E.); James Pearce, Golden Gateway Center; Mary Rogers, Gene Stancil, Teall Henderson, representing Western Addition Project Area Committee (W.A.P.A.C.); and Michael Painter, Michael Painter and Associates.

Representing the press were Marshall Kilduff, San Francisco Chronicle; Donald Canter, San Francisco Examiner; Dan Borsuk, San Francisco Progress, and Doug Chan, San Francisco Journal.

#### APPROVAL OF MINUTES

It was moved by Ms. Blomquist, seconded by Mr. Lee, and unanimously carried that the minutes of the Regular Meetings of August 30, and September 6, 1977, as distributed by mail to the Commissioners, be approved.

#### SPECIAL APPEARANCES

Public hearing to hear all persons interested in the matter of the sale of Parcel A-4, located Southwest Corner Cargo Way and Mendell Street, in the India Basin Industrial Park Approved Redevelopment Project Area.



SPECIAL APPEARANCES (continued)

- (a) Acting President Shelley opened the public hearing to hear all persons interested in the matter of the sale of Parcel A-4 in the India Basin Industrial Park Approved Redevelopment Project Area. There being no persons wishing to appear in connection with the matter, the President declared the public hearing closed.
- (b) Public hearing to hear all persons interested in the matter of the transfer of interest in Golden Gateway Center, A Limited Partnership and Authorizing Conveyance of Parcels R-II(b), R-III(a) and R-III(b) to Golden Gateway North, a Limited Partnership; Embarcadero-Lower Market Project Area E-I bounded generally by Front, Davis and Jackson Sts., Broadway and the Embarcadero.

President Shelley opened the public hearing to hear all persons interested in the matter of the transfer of interest in Golden Gateway Center to Golden Gateway North, Embarcadero-Lower Market Project Area E-I. There being no persons wishing to appear in connection with the matter, the President declared the public hearing closed.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Members on the following matters:

- (a) The Diamond Heights Neighborhood Association will hold a picnic as an expression of appreciation to Walter and Eleanor Haas for donating \$100,000 for the purchase of land from the Agency for a playground. This event will be held Saturday, September 24, 1977 at 12:30 p.m. Mr. Hamilton indicated that he would present the Bicentennial flag to the Diamond Heights Neighborhood Association and that Mayor Moscone would be present to make remarks. Mr. Hamilton invited all the Commissioners to come and share in this event. The program will be held at the John F. Shelley Fire Station, on Addison off Diamond Heights Boulevard.
- (b) A meeting of the committee involved in the planning of the Northeast Waterfront Survey Area was held on September 19, 1977. This particular meeting was attended by the Mayor and he addressed the committee on the importance of its work. He urged all participating Agencies to work together to move the project expeditiously. Mr. Hamilton believed that the program for development of the San Francisco waterfront is proceeding well.

In response to Mr. Kaplan's inquiry on the Board of Supervisors' action on the Golden Gateway Center appeal of the Planning Commission's conditional approval Mr. Hamilton indicated that he would report later since an agenda item related to this issue.

NEW BUSINESS

- (a) Consideration of the termination of the Pacific Trade Center for Parcel 762-A, the block bounded by Van Ness, Franklin, Golden Gate and Turk, Western Addition Project Area A-2.

Mr. Hamilton indicated that consideration of this item had been held over two weeks ago at the request of the Philippine Cultural and Trade



NEW BUSINESS (continued)

Center (PCTC) representatives. This group has proposed that the Agency transfer the interest of the Philippine Cultural and Trade Center in Parcel 762-A to a new community development group, the Filipino-American Council. Mr. Hamilton indicated that meetings had been held with the representatives of the Philippine Cultural and Trade Center to evaluate the proposal. These meetings had not provided any basis for changing the staff recommendation for termination of the disposition agreement with Pacific Trade Center, the joint venture which includes the PCTC. Mr. Hamilton indicated that Mr. Alex E. Esclamado was present to speak on behalf of the investors in the Philippine Cultural and Trade Center, Inc.

Mr. Esclamado came forward and addressed the Commissioners. He noted that he was speaking for the Filipino Community and also noted the presence of Mrs. Jovita Buted of the Filipino Society of San Francisco, Dr. A. C. Ubalde, Jr., who not only represented the community but also served as a Commissioner on the Housing Authority. Mr. Esclamado noted that the majority of the Commissioners had not served on the Agency long enough to be familiar with the Filipino Community's efforts to develop a cultural center. He indicated his belief that when they understood the history they would grant an extension of time to the joint venture to develop the Pacific Trade Center. He urged that the Commissioners designate the Filipino-American Council as the developer and arrange for the transfer of the \$120,000 deposit to an account in the name of the Filipino-American Council. Mr. Esclamado indicated his belief that there are two inseparable issues, one being the moral issue of the community's suffering and financial losses incurred in its efforts to develop a cultural center and the legal aspects to prevail over the moral. He alleged that the situation could become similar to the International Hotel where he believed older people were displaced by legal technicalities when the City did not have adequate housing for this community. He indicated that a Filipino cultural center was necessary to serve as a center for all Filipinos. Mr. Esclamado reviewed the Filipino community's efforts to develop a cultural center since 1964 when the Filipino-American Council first organized and decided that development of a center for the Filipino people should be made the objective of the organization. During 1966, the concept of the Philippine Cultural and Trade Center was formally established and fund raisers were held to begin development of the project. He noted that there was not total unanimity within the community but that their problems have been resolved. In March of 1969 the Board of Supervisors approved a resolution endorsing the concept of a Philippine Cultural and Trade Center. Mr. Esclamado read from the Board of Supervisors' Resolution Number 211-69 "...that it does hereby endorse and urge support for constructive efforts looking toward the location, construction and successful development of a Philippine Cultural and Trade Center in the City and County of San Francisco, and urge all City department and agencies, under the guidance of the San Francisco Redevelopment Agency to render all possible assistance which might lead to its realization." He stressed that this resolution had been adopted partly as a result of the support of the Filipino-American Council. Mr. Esclamado noted that the Board of Supervisors had continued to show its support and in 1972 the Board adopted a resolution which authorized the Mayor to expend \$150,000 for feasibility studies for a Filipino cultural center. He indicated that then two persons came from the Philippines and he alleged that they misled the Filipino community by enticing people to invest in the development as a profit making entity rather than the





NEW BUSINESS (continued)

previous non-profit concept. The Philippine Cultural and Trade Center was organized and registered as a corporate entity at this time. This created chaos within the new profit oriented group and the dissention in the community became apparent. When the Agency designated this group as developers of the parcel in the name "Pacific Trade Center", the community agreed to work together on the project with the provision that the leadership of the community be consulted in the development. At this time Mr. Rubin Glickman arrived, 4:30 p.m.

Mr. Esclamado noted that only Mr. Kaplan had been on the Agency during the three year struggle to expose what he alleged were questionable persons that misled the leadership of the Filipino community. He indicated an example of their fraudulent activities resulted in stock worth \$10 being sold for \$40 and that the unscrupulous persons soon had full control of the group. He believed that many people had been victimized and had invested their money at great hardship and now appeared to be in danger of losing everything they had. He alleged that the Department of Corporations had been manipulated because there were many irregularities in the process whereby stock was issued and sold. Mr. Esclamado noted that despite his urging neither the Agency or the Department of Corporations had taken action against these persons. He indicated that the victims had been unwilling to come forward and that those that had control of the group threatened them with forfeiture of their shares if they complained.

Mr. Esclamado alleged that an Agency staff member had profited from the group as a consultant and had been paid \$112,000. He believed that this person had accepted money from the Philippine Cultural and Trade Center while still on the Agency's staff. As an example of this person's ineptitude, Mr. Esclamado noted that he had gone to England in an attempt to secure funds for the project and had then phoned demanding that he be sent an additional \$30,000 to secure the loan and had finally returned with a meaningless document. Mr. Esclamado noted that after receiving \$112,000 from the community's funds this individual was now attempting to develop the parcel with another developer. He objected to this person using the knowledge and contacts he had made at the expense of the Filipino community to try to profit from another group. He noted with appreciation that Quintin McMahon, Director of Real Estate, Marketing and Business Development, had informed him that a proposal had been submitted involving this person and advised him that the Agency had returned the proposal.

Mr. Esclamado indicated his belief that the responsibility for this situation was shared among the Filipino community, the investors and the Agency. He indicated that the community was now desirous of working together to develop this block and avert further damage to the community. He again compared the community's position to the tenants of the International Hotel. He also indicated that there appeared to some the question whether the community could develop the one block area. Mr. Esclamado believed that this was an insult to the 80,000 members of the Filipino community which was largely comprised of businessmen, professionals, and organizations with the capacity to develop the parcel. He indicated that if the Commissioners terminated the PCTC agreement and returned the group's deposit, the money would be absorbed by the garnishment against it. Mr. Esclamado indicated that the Filipino-American Council was impatient to get development of the cultural center underway. He indicated that the Pacific Trade Center group had been given four years to develop the site and requested that his group be allowed a



NEW BUSINESS (continued)

short time, at the most a month, to prevent the loss of thousands of dollars invested by the community people.

Acting President Shelley indicated her appreciation for the Filipinos' desire for a cultural center but stressed her belief that it must not be developed at the expense of any other ethnic group. Mr. Esclamado concurred.

In response to Dr. Williams' inquiry Mr. Esclamado commented more specifically on the former Agency staff member he had alluded to earlier. He noted that he had attempted to have the proper authorities examine Mr. William Kellar's involvement with the PCTC. Mr. Esclamado indicated that he had asked the district attorney to review the handling of the corporation's stock and had also provided the Agency with information on the matter. The district attorney was unable to pursue the matter without a complaint being filed and informed Mr. Esclamado that he was not the proper party to file the complaint. Mr. Esclamado indicated that those victimized had been afraid to file a complaint because of threats that if they pursued the matter there would be trouble. Mrs. Jovito Buted confirmed this allegation. Mr. Esclamado referred to a resolution of the PCTC adopted at its meeting of April 25, 1973 authorizing payment of expenses for Mr. William Kellar and he noted that he had verified Mr. Kellar's employment by the Agency through March, 1974. Mr. Esclamado indicated that he did not know if the Agency's regulations permitted people to be paid for consultant services while on the staff. He noted that subsequently Mr. Kellar was a consultant to the Pacific Trade Center and was paid \$5,000 a month. He again expressed concern that Mr. Kellar was participating in a new development proposal for the site. In response to his inquiry the PCTC accountant confirmed the expenditure of \$109,000 to Mr. Kellar.

In response to Mr. Lee's inquiry Mr. Esclamado noted that the group was requesting delay of the development rights for 30 days while the legal aspects of the proposed transfer of interest and deposit were examined. Then the group would need 180 days customarily granted developers. Mr. Lee inquired about the financial sources for the project and Mr. Esclamado indicated that he would not name a specific source at this time but that the community would be investigating all funding possibilities. He reiterated his belief that the community had the capacity to build the project. Mr. Kaplan indicated that he wished to clarify the record of the previous Agency member's actions because the matter had been extensively discussed and finally approved by a vote of 3 to 2. The matter had been considered only after former Agency Commissioner James A. Silva and an outside auditor had thoroughly examined the Pacific Trade Center's books. He also noted that Mr. Kellar's involvement with the development had been fully investigated and Mr. Kellar denied any allegation that he had accepted payment from the group while employed by the Agency. Mr. Kaplan noted that the Agency had no conflict of interest regulations at that time and there was no prohibition against him going to work for the Pacific Trade Center.

Acting President Shelley indicated that the matter being considered by the Commissioners concerned the request for an extension of time.

Mr. Glickman inquired about the members of the Filipino-American Council and Mr. Esclamado introduced the president of the council and noted that it represented 52 of the approximately 150 Filipino community organizations. The group was formed in 1964 and performed a number of civic functions including supervising and training people under the CETA program. Mr. Esclamado



NEW BUSINESS (continued)

expressed his appreciation for the opportunity to make a presentation to the Commissioners.

Dr. A. C. Ubalde, Jr. came forward and expressed his support for allowing the Filipino community an opportunity to develop the parcel.

Mr. Hamilton indicated that the staff fully supported the community's desire for a cultural center but stressed his belief that the Agency was responsible for achieving development as expeditiously as possible of land it has acquired. He recommended that a short period be allowed to study the legal ramifications of the proposal.

Acting President Shelley indicated that the matter would be taken under advisement and all interested parties would be notified of the date that it is calendared for the Commissioners' consideration.

In response to Mrs. Mary Rogers, WAPAC Chairperson, Acting President Shelley asked Mr. Esclamado to provide Mrs. Rogers with copies of correspondence on the matter.

Acting President Shelley extended the Commissioners' greetings to the family of Dr. Hannibal Williams.

- (b) Resolution No. 191-77 Ratifying Amendment to Security Guard Contract with Cal-State Patrol extending Contract Period, Western Addition Project Area A-2.

This item ratifies the action of the Executive Director in extending the Cal-State Patrol Security Guard Contract from September 20 to September 30, 1977 and transfer of funds within the contract in the amount not to exceed \$6,035. There is no increase in the maximum contract amount. This will allow for time for the transition of the service to a new firm.

MOTION: It was moved by Mr. Kaplan, seconded by Mr. Lee, that this resolution be adopted.

At that time representatives from the Citizens Against Nihonmachi Evictions (CANE) disrupted the proceedings.

RULE OF THE CHAIR: Acting President Shelley declared that due to disruptive behavior a recess of the regular meeting would be held unless there was objection from the other Commissioners. There being none, the meeting recessed at 5:15 p.m. to an executive session previously planned to be held at the end of the meeting to review matters relating to potential litigation and personnel.

The regular meeting of the San Francisco Redevelopment Agency reconvened at 5:55 p.m. Commissioners Shelley, Blomquist, Glickman and Lee were present, Wilbur W. Hamilton and staff members were also present.

Acting President Shelley indicated that the Commissioners would conduct the public business in an orderly manner. She noted that the Commissioners would now vote on the motion pending for agenda item 9(b). Acting President Shelley also noted that there appeared to be persons who wished to speak on item 9(c) and that the Commissioners would hear a total of 15 minutes'



NEW BUSINESS (continued)

testimony and each speaker would be allowed three minutes.

- (b) Resolution No. 191-77 Ratifying Amendment to Security Guard Contract with Cal-State Patrol extending Contract Period, Western Addition Project Area A-2.

ADOPTION: It was moved by Mr. Kaplan, seconded by Mr. Lee, and unanimously carried that this resolution be adopted.

- (c) Resolution No. 192-77 Authorizing the Executive Director to Enter into a Contract for Security Guard Services in the Western Addition Area A-2.

This item concerns the award of a contract for security guard services to provide protection for project area tenants and Agency-owned property. Six firms submitted proposals and it is recommended that a contract be awarded to the firm with the lowest fee, Alberts Patrol Service, for an amount not to exceed \$78,812. This is an area based firm which has previously served the Agency and approval is recommended.

Ms. Anna Whittington, a Coalition representative, came forward and addressed the Commissioners, indicating her belief that the Agency should not be hiring guards. Mr. Hamilton noted that the Agency was required by HUD to protect property and tenants under its jurisdiction. Ms. Whittington alleged that the guards harassed the tenants in 1531 Sutter and 1869 Buchanan. She also expressed concern that the tenants in the Sutter Street building were in receipt of a 90-day vacate notices and were being displaced from their homes. Mr. Mickey Imura alleged that the guards provided no protection. He claimed that the staff and guards forced entry into 1869 Buchanan Street and removed personal articles belonging to the tenants.

Mr. Hamilton reported on the court decision on the status of the tenancy of the persons previously occupying the Sutter and Buchanan Streets buildings. Judge Brown has ruled that these persons were illegal trespassers in the buildings, and the Agency has the right to employ security guards to protect Agency-owned property. Judge Brown indicated that the Agency had acted properly since it was under Court order to limit occupancy in these unsafe buildings. Mr. Hamilton indicated that the illegal tenants could repossess their articles after substantiating their ownership and requests will be processed as outlined in the instructions to Brian Spears, the attorney representing these persons.

ADOPTION: It was moved by Ms. Blomquist, seconded by Mr. Glickman, and unanimously carried that this resolution be adopted.

- (d) Resolution No. 193-77 Awarding Site Improvement Contract No. 21R, Hunters Point Project Area, NDP A-5 to A and J Shooter and Associates.

This item authorized award of a site improvement contract to the lowest of three bidders for construction of Ridgetop Park to A and J Shooter in the amount of \$855,650. This work will provide for the construction of play areas, grading, an amphitheater, play equipment and landscaping. The contract was previously bid in May of this year and the low bid was \$1,096,104 which exceeded the budget for this work. Staff recommended that the plans be modified and the work rebid. Staff recommends award of the contract because further modifications of the plans would damage the integrity of





NEW BUSINESS (continued)

the park. Staff estimate of the work was \$849,500. In response to Ms. Blomquist's inquiry as to the name of the landscape architect for this project, Mr. Mills, Area Director of Hunters Point, indicated that it was Michael Painter and Associates.

ADOPTION: It was moved by Mr. Lee, seconded by Mr. Glickman and unanimously carried that this resolution be adopted.

- (e) Resolution No. 194-77 Approving and Authorizing the Executive Director to Execute the Agreements with Pacific Gas and Electric Company and Pacific Telephone Company for the Electric and Telephone Distribution System, India Basin Industrial Park Project Area.

This resolution authorized approval of agreements with Pacific Gas and Electric Company and Pacific Telephone and Telegraph Company for construction of telephone and electrical distribution systems in Burke Avenue. The agreement with PG&E is a total amount of \$18,277 and the agreement with PT&T is a net amount of \$8,300.

ADOPTION: It was moved by Ms. Blomquist, seconded by Mr. Lee, and unanimously carried that this resolution be adopted.

- (f) Resolution 195-77 Approving Sale of Parcel A-4 to William Sanchez, Susan Anne Sanchez, Dennis F. Sanchez and Susan D. Sanchez and the Minimum Disposition Price; Ratifying and Confirming Publication of Notice of Public Hearing; Authorizing Execution of Agreement for Disposition and other Conveyance Instruments in Connection Therewith; India Basin Industrial Park Project Area.

Mr. Hamilton noted that this item was the subject of a public hearing and the developer had asked that this matter be held over for one week. The Acting President noted that hearing no objections, it was so ordered.

- (g) Resolution No. 196-77 Approving Transfer of Interest in Golden Gateway Center, A Limited Partnership, and Authorizing Conveyance of Parcels R-II(b), R-III(a) and R-III(b) which are bounded generally by Front, Davis and Jackson Sts., Broadway and the Embarcadero to Golden Gateway North, a Limited Partnership; Embarcadero-Lower Market Project Area E-1.

This matter authorizes an assignment of interest of the Golden Gateway Center to Golden Gateway North. These are both limited partnerships and essentially eliminate Alcoa, Inc., from the developmental entity and substitute Vintage Gateway Associates. The only consideration to be paid is \$193,322 for actual costs incurred by Golden Gateway Center for legal and architectural costs and soils and foundation studies.

In response to Ms. Blomquist's inquiry on the time schedule of the development, Mr. James Pearce of the Golden Gateway Center came forward and noted that there were certain conditions which influenced the time schedule. He noted the Planning Commission had placed unacceptable conditions on its approval of the Use Permit for the development. Golden Gateway Center appealed these conditions to the Board of Supervisors and the Supervisors upheld by a 10-1 vote that the developer's contention that the conditional approval was inappropriate. He also noted that the Public Works Department and the Planning Commission have approved the condominiums that are proposed for this project.



NEW BUSINESS (continued)

Another aspect of the preliminary work that has to be done is the need to obtain the revocable permit for the bridge above Jackson Street. Mr. Pearce noted that his architectural and engineering staff was working with the Bureau of Building Inspection in obtaining a building permit. He indicated that the development entity has now been formed and is now before the Commissioners. Mr. Pearce reiterated that the project is moving forward but expressed concern about a change of policy by the Bureau of Building Inspection which apparently will preclude the developer from expediting construction by having approval of individual aspects of the plans. It now appears the Bureau of Building Inspection will require submittal of the complete building plans submitted prior to consideration of permit approval. This could affect the construction schedule of the first phase of the development by adding 3 to 4 months to the time required for processing the request for a permit. Mr. Pearce noted that they were working to modify this new policy. It is anticipated that the developer could commence construction in February or March of 1978 and this could be 3 to 5 months more if there is no relief from the Bureau of Building Inspection policy.

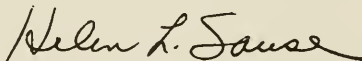
In response to Mr. Glickman's inquiry, Mr. Hamilton indicated that the Disposition Agreement had been reviewed and approved by staff. Mr. Quintin McMahon, Director, Real Estate, Marketing and Business Development, indicated the the Agreement provides eight months to start construction for the first block after performance of certain preliminary requirements and 18 months thereafter for the next phase and 36 months for the third parcel. Ms. Blomquist urged that the developer and staff make every effort to expedite construction.

ADOPTION: It was moved by Mr. Glickman, seconded by Mr. Lee and unanimously carried that this resolution be adopted,

ADJOURNMENT

It was moved by Mr. Glickman, seconded by Mr. Lee and unanimously carried that the meeting be adjourned to executive session. The meeting adjourned at 6:30 p.m.

Respectfully submitted,



Helen L. Sause  
Secretary



7/77  
MINUTES OF A REGULAR MEETING OF THE  
REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO HELD ON THE  
27TH DAY OF SEPTEMBER 1977

The Commissioners of the Redevelopment Agency of the City and County of San Francisco met in a regular meeting at 939 Ellis Street in the City of San Francisco, California at 4:00 o'clock p.m. on the 27th day of September 1977, the place, hour, and date duly established for the holding of such meeting.

The President called the meeting to order and on roll call the following answered present;

Howard M. Wexler, President  
Joan-Marie Shelley, Vice President  
Dian Blomquist  
Rubin Glickman  
Walter F. Kaplan

DOCUMENTS

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and the following were absent:

Melvin D. Lee  
Dr. Hannibal A. Williams

The President declared a quorum present.

Wilbur W. Hamilton, Executive Director, and staff members were also present.

Representing the press was Don Canter, San Francisco Examiner.

APPROVAL OF MINUTES

It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that the minutes of the Regular Meeting of September 20, 1977 and the minutes of the Executive Meeting of September 20, 1977, as distributed by mail to the Commissioners, be approved.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Wilbur W. Hamilton reported to the Commissioners on the following matters:

- (a) On Friday, September 30, 1977, there will be a series of celebrations in India Basin:
  1. Publisher Ed Coen of the American Industrial Property Reports, a trade magazine, will present an award honoring India Basin Industrial Park as one of the six best industrial parks nationwide on the basis that it is the only industrial project which has been designed to provide job opportunities in conjunction with development of housing in a high unemployment area.
  2. There will also be a groundbreaking ceremony for the Morgan Equipment Company marking the commencement of construction of its \$2 million international headquarters at the entrance to India Basin.
  3. There may be an announcement by the United States Post Office of its desire to be designated as redeveloper of a 32-acre site to serve as the general mail facility for San Francisco, San Mateo, and Santa Clara counties.



REPORT OF THE EXECUTIVE DIRECTOR (continued)

- (b) A ceremony marking the commencement of the second phase of the Walter A. Haas Playground in Diamond Heights was held September 24, 1977. Phase I of the Playground's 2.16 acres was completed at a cost of \$226,000. Total acreage for the park is 3.718. Mr. Haas donated \$100,000 to purchase an additional 33,000 square feet of land in 1975 for expansion of the existing park. A sum of \$70,000 for landscaping the additional area has been provided from City and Agency funds. Construction is scheduled to start in October.
- (c) The 1978 Community Development application has been forwarded to the Board of Supervisors for the Finance Committee. It is anticipated that this application will be considered by the Finance Committee on October 5, 1977.
- (d) Dr. Hannibal Williams is presently hospitalized in Mills Hospital in San Mateo. President Wexler expressed the Commissioners' hope that Dr. Williams would have a speedy and permanent recovery.

NEW BUSINESS

- (a) Resolution No. 195-77 approving sale of Parcel A-4 to William Sanchez, Susan Anne Sanchez, Dennis F. Sanchez, and Susan D. Sanchez, and the minimum disposition price; ratifying and confirming publication of notice of public hearing; authorizing execution of agreement for disposition and other conveyance instruments in connection therewith, India Basin Industrial Park Approved Redevelopment Project Area.

Mr. Hamilton indicated that a public hearing on this matter was held on September 20, 1977 but the developer had requested that it not be acted upon for another week. The developer is dissatisfied with the quality of work received from his present architect and is now requesting additional time to have more acceptable architectural work performed. President Wexler indicated this item would be held over one week.

- (b) Resolution No. 198-77 awarding Demolition and Site Clearance Contract No. 17 to Bay Cities Paving and Grading, Inc., India Basin Industrial Park Approved Redevelopment Project Area.

This concerns award of a contract to the Bay Cities Paving and Grading, Inc. The lowest bidder did not submit a bid bond which Agency legal staff advises constitutes a fatal flaw in their submittal. Staff recommends that the award be made to Bay Cities, the second lowest bidder, for \$4,400 to demolish a 20-foot-high wood-frame shed at 1433 Fairfax Avenue. The demolition is not near any residential area and the community has indicated that Bay Cities would be an acceptable contractor in this instance. In response to President Wexler's inquiry, Mr. Earl P. Mills, Area Director of Hunters Point/India Basin, indicated that the Bayview-Hunters Point Joint Housing Committee had by vote indicated its approval of the proposed contract award.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted.

- (c) Resolution No. 199-77 resolution of necessity authorizing condemnation of Parcel 1126-26, Western Addition Approved Redevelopment Project Area A-2.
- (d) Resolution No. 200-77 resolution of necessity authorizing condemnation of Parcel 749-6B, Western Addition Approved Redevelopment Project Area A-2.
- (e) Resolution No. 201-77 resolution of necessity authorizing condemnation of Parcel 749-6A, Western Addition Approved Redevelopment Project Area A-2.





NEW BUSINESS (continued)

- (f) Resolution No. 202-71 resolution of necessity authorizing condemnation of Parcel 728-31, Western Addition Approved Redevelopment Project Area A-2.

President Wexler indicated that these four resolutions would be considered together.

Mr. Hamilton noted that these resolutions concerned parcels scheduled for rehabilitation in the Western Addition Area A-2 Redevelopment Plan. This action is brought to the Commissioners as a result of amendments to the eminent domain procedures which require an individual condemnation action for each property to be acquired with a specific notice to each owner. The owners have indicated that they would not renovate their properties and have requested that the Agency acquire them. The staff has informed three of the four owners of the Agency's new rehabilitation funding program; however, they remain unwilling to improve their properties. Staff has not yet reached the fourth owner, Ms. Celeste Hanna, to reaffirm her unwillingness to help update her building, but attempts to contact her will continue. Ms. Hanna's property is uninhabitable and has been vacant for over five years. Mr. Hamilton indicated that these properties are located at 1905-07 O'Farrell, 1445 Eddy, 1435 Eddy, and 2049-51 Ellis Streets. He recommended approval of these resolutions.

In response to Ms. Blomquist's inquiry, Mr. Quintin McMahon, Director of Real Estate, Marketing and Business Development, indicated that the acquisition process required the staff to obtain statements from owners that they did not wish to rehabilitate their property, then authorization to acquire property is requested from the Department of Housing and Urban Development (HUD). After receiving HUD acquisition concurrence, two independent appraisals are made of each property; these are then presented to HUD for concurrence of an acquisition price, and negotiations are then carried out with each owner. Mr. McMahon noted that ideally negotiations are successfully concluded rather than having a dispute over value requiring that the parcel be acquired through condemnation. Ms. Blomquist also inquired about the degree of value disparity in the negotiating positions for each parcel. Mr. McMahon indicated that for the parcel at 2049-51 Ellis Street it had not been possible to determine Ms. Hanna's position on the Agency's offer of \$29,500; for 1435 Eddy Street the Agency offered \$165,000 and the owner requested \$250,000; and for 1905-07 O'Farrell Street the Agency had offered \$49,000 and the owner's counter-offer was \$60,000.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Shelley, and unanimously carried that these resolutions be adopted.

- (g) Resolution No. 203-77 approving payment for fencing services to Alameda Fence Company, all projects.

This resolution authorizes payment of \$5,080.20 to the Alameda Fence Company for the installation of redwood slat fencing. The fencing contract was awarded in January 1977 and did not include this type of fencing which was used for highly visible parcels in the Western Addition and Golden Gateway projects. Approval of this expenditure will authorize payment for only this particular instance.

Ms. Blomquist noted that she had observed fencing which appeared to be reusable and inquired whether the Agency could receive some benefit from the sale of this fencing. Mrs. Jane Hale, Assistant Director of Finance and Administration, indicated that the fencing contract provides that all usable fencing would be credited to the Agency's account.



NEW BUSINESS (continued)

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Shelley, and unanimously carried that this resolution be adopted.

- (h) Resolution No. 197-77 travel authorization for Wilbur W. Hamilton, Executive Director, and Helen L. Sause, Assistant to the Executive Director, to travel to Minneapolis, Minnesota to attend the Annual National Association of Housing and Redevelopment Officials (NAHRO) Conference on October 2-5, 1977.

Mr. Hamilton indicated that this meeting would be of great importance because it concerned modification to the statutes and regulations for the 1978 housing legislation and long-range proposals for development agencies by NAHRO.

Mr. Hamilton noted that he was a member of the Development and Redevelopment Committee, which would meet to consider specific proposals for specific problems of redevelopment agencies. Ms. Sause would be attending in her capacity as Secretary-Treasurer of the NAHRO Bay Area Chapter.

ADOPTION: It was moved by Ms. Blomquist, seconded by Ms. Shelley, and unanimously carried that this resolution be adopted.

MATTERS NOT APPEARING ON THE AGENDA

- (a) Resolution No. 207-77 commending Tamayo Imada on the occasion of her twenty-fifth anniversary in Agency service.

Mr. Hamilton indicated that Miss Imada had served the Agency for 25 years and recommended this commendation to show the Agency's appreciation for her exceptional diligence. In response to his request, Ms. Sause, Secretary, read the resolution in full, as follows:

"WHEREAS, Tamayo Imada has well and truly served on the staff of the San Francisco Redevelopment Agency for 25 years; and

WHEREAS, Miss Imada continues to perform her duties with an energetic application of her abilities in fulfilling her responsibilities; and

WHEREAS, it is the desire of the Commissioners to commemorate the occasion of her 25th anniversary by an expression of their appreciation for her exceptional diligence in assisting in the implementation of the Agency's program; now, therefore, be it

RESOLVED that the Redevelopment Agency of the City and County of San Francisco does hereby express its appreciation for the contributions made by Tamayo Imada to the redevelopment program in the City and County of San Francisco; and,

BE IT FURTHER RESOLVED that a suitable copy of this resolution be tendered to Miss Imada as a token of the esteem in which the Commissioners and staff of the Agency hold her."

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted.

- (b) Resolution No. 206-77 authorizing acceptance of offer of grant from the United States Department of Commerce to construct the John Swett Community Facility, Western Addition Approved Redevelopment Project Area A-2,



MATTERS NOT APPEARING ON AGENDA (continued)

This item authorizes acceptance of a grant from the Department of Commerce for \$2.3 million for the John Swett Community Facility Building. Mr. Hamilton recalled that the project plan specified construction of a new school which was to have a community facility building. Despite extensive efforts, no funding sources have been found for the development. The Public Works Employment Act of 1977 made funds available to communities to carry out specific projects of public benefit. The community facilities portion of the John Swett development was found to qualify for funding under the Public Works Act. Mr. Hamilton noted that the Commissioners had approved an application for this funding and the administering body, the Department of Commerce, has now tendered a grant offer of \$2.3 million. This grant must now be accepted by the Commissioners before the development can proceed. Mr. Hamilton stressed the role played by the Western Addition Project Area Committee (WAPAC) in this development. He noted that WAPAC had identified the need to build the community center and had been instrumental in securing its funding. These efforts included travel by Ms. Mary Helen Rogers, and Messrs. Benny Stewart and Arnold Townsend to Washington, D.C. to secure approval for this facility.

President Wexler inquired if the construction costs exceeded the grant amount where could the additional monies be obtained, and Mr. Robert Reece, Assistant Area Director for Western Addition A-2, indicated that local sources would have to be used to absorb any additional expenditures.

Mr. Glickman inquired as to the status of the design, and Mr. Reece indicated that preliminary plans were being developed but since the architectural services were to be paid out of the grant monies, no notice to proceed could be given. In response to Mr. Glickman's inquiry, Agency General Counsel Leo E. Borregard indicated that the architectural contract could be drawn to stipulate that if the bids exceeded the grant the architect would perform the necessary redesign at no additional cost to the Agency. President Wexler inquired as to the architect's acceptance of this change and whether it could endanger retention of the architect and also what effect it could have on the overall timing of this project. Mr. Reece indicated that he believed the architect would accept the change because he understood the monetary restrictions of the grant.

ADOPTION: It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that this resolution be adopted.

MOTION: It was moved by Mr. Glickman, seconded by Ms. Shelley, and unanimously carried that the Carey Jenkins architectural contract be amended to provide for redesign of the John Swett Community Facility at no additional cost in the event bids exceeded the amount of the United States Department of Commerce grant available for construction of the community facility in Western Addition Area A-2.

ADJOURNMENT

It was moved by Mr. Kaplan, seconded by Ms. Blomquist, and unanimously carried that the meeting be adjourned to executive session. The meeting adjourned at 4:40 p.m.

Respectfully submitted,

*Helen L. Sause*

Helen L. Sause

Secretary











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